

INDENTURE OF TRUST

BETWEEN

**CITY OF SAN ANTONIO, TEXAS
EMPOWERMENT ZONE DEVELOPMENT CORPORATION**

AND

U.S. BANK NATIONAL ASSOCIATION, as Trustee

RELATING TO

\$21,900,000

**CITY OF SAN ANTONIO, TEXAS
EMPOWERMENT ZONE DEVELOPMENT CORPORATION
CONTRACT REVENUE EMPOWERMENT ZONE REFUNDING BONDS
(DRURY SOUTHWEST HOTEL PROJECT), SERIES 2013A**

and

\$18,000,000

**CITY OF SAN ANTONIO, TEXAS
EMPOWERMENT ZONE DEVELOPMENT CORPORATION
CONTRACT REVENUE EMPOWERMENT ZONE REFUNDING BONDS
(DRURY SOUTHWEST HOTEL PROJECT), SERIES 2013B**

Dated as of November 1, 2013

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INDENTURE OF TRUST

This **INDENTURE OF TRUST** (this "*Indenture*"), dated as of November 1, 2013, between the **CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION** (the "*Issuer*") and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association, being qualified to accept and administer the trusts hereby created (the "*Trustee*");

WITNESSETH:

WHEREAS, the Issuer is a nonprofit local government corporation organized and existing under the laws of the State of Texas, particularly Subchapter D of Chapter 431, Texas Transportation Code, as amended (the "*Act*"); and

WHEREAS, the Issuer issued and has outstanding the following series of bonds:

CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION CONTRACT REVENUE EMPOWERMENT ZONE BONDS (DRURY SOUTHWEST HOTEL PROJECT), SERIES 2005, dated as of October 1, 2005, and currently outstanding in the aggregate principal amount of \$21,900,000 (the "*Series 2005 Bonds*"); and

CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION CONTRACT REVENUE EMPOWERMENT ZONE BONDS (DRURY SOUTHWEST HOTEL PROJECT), SERIES 2007, dated as of November 1, 2007, and currently outstanding in the aggregate principal amount of \$18,000,000 (the "*Series 2007 Bonds*"); and

WHEREAS, the Series 2005 Bonds were issued pursuant to the provisions of an Indenture of Trust, dated as of October 1, 2005, between the Issuer and *U.S. Bank National Association*, as Trustee (the "*2005 Indenture*"), and the Series 2007 Bonds were issued pursuant to the provisions of an Indenture of Trust, dated as of November 1, 2007, between the Issuer and *U.S. Bank National Association*, as Trustee (the "*2007 Indenture*"); and

WHEREAS, all proceeds of the Series 2005 Bonds and the Series 2007 Bonds were loaned to **ALAMO NATIONAL BUILDING DEVELOPMENT, LP**, a Missouri limited partnership (the "*Borrower*") pursuant to two separate loan agreements between the Issuer and the Borrower for the purpose of providing funds to pay a portion of the costs to acquire a leasehold interest in, and renovate and redevelop, the Alamo National Bank Building and related parking facilities into an approximately 367-room hotel and to construct related amenities, parking facilities and improvements along the Riverwalk (collectively, the "*Project*"); and

WHEREAS, pursuant to Article X of the 2005 Indenture and the Series 2007 Indenture, the Series 2005 Bonds and the Series 2007 Bonds, while bearing interest at a "Term Interest Rate" shall be considered defeased, discharged, and no longer outstanding upon deposit with the Trustee, in trust, at or before maturity or the redemption date thereof, money or securities in the necessary amount (as provided in Section 10.03 thereof) to pay or redeem [with "Available Moneys" when a

"Letter of Credit" (as defined therein) is then in effect] all Series 2005 Bonds and Series 2007 Bonds, respectively, that are outstanding; and

WHEREAS, the Borrower has requested the Issuer to issue two new series of revenue bonds (defined herein as the "**Series 2013A Bonds**" and the "**Series 2013B Bonds**" and collectively herein as the "**Bonds**") for the purpose of providing funds sufficient, together with a contribution from the Borrower, to refund and defease all outstanding Series 2005 Bonds and Series 2007 Bonds; and

WHEREAS, a Loan Agreement, dated as of November 1, 2013 (hereinafter the "**Loan Agreement**"), relating to the below defined Bonds has been duly executed between the Issuer and the Borrower; and

WHEREAS, the recitals and provisions of the Loan Agreement are incorporated herein as if set forth in their entirety; and

WHEREAS, on November 7, 2013, the Board of Directors of the Issuer duly adopted a *Resolution Authorizing the Issuance of \$39,900,000 in Aggregate Principal Amount of City of San Antonio, Texas Empowerment Zone Development Corporation Contract Revenue Empowerment Zone Refunding Bonds (Drury Southwest Hotel Project), Series 2013A and Series 2013B; Approving and Authorizing the Execution of an Indenture of Trust, a Loan Agreement, and a Bond Purchase Agreement; and Approving All Other Matters in Connection Therewith* (together with any amendment or supplement to such resolution as authorized therein, hereinafter called the "**Bond Resolution**"); and

WHEREAS, the Bond Resolution authorized the issuance of (i) \$21,900,000 in principal amount of **CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION CONTRACT REVENUE EMPOWERMENT ZONE REFUNDING BONDS (DRURY SOUTHWEST HOTEL PROJECT), SERIES 2013A** (hereinafter called the "**Series 2013A Bonds**") for the purpose of making a loan to the Borrower to refund the outstanding Series 2005 Bonds, and (ii) \$18,000,000 in principal amount of **CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION CONTRACT REVENUE EMPOWERMENT ZONE REFUNDING BONDS (DRURY SOUTHWEST HOTEL PROJECT), SERIES 2013B** (hereinafter called the "**Series 2013B Bonds**") for the purpose of making a loan to the Borrower to refund the outstanding Series 2007 Bonds; and

WHEREAS, the Series 2013A Bonds and the Series 2013B Bonds are referred to collectively herein as the "**Bonds**"; and

WHEREAS, the Bonds, and the interest thereon, are and shall be payable from and secured by a first and superior lien on and pledge of the payments designated as "Loan Payments" to be made by or for the account of the Borrower pursuant to the Loan Agreement in amounts sufficient to pay and redeem, and provide for the payment of the principal of, premium, if any, and interest on the Bonds, when due, and the fees and expenses of the Trustee and any paying agent for the Bonds, all as required by the Bond Resolution; and

WHEREAS, certified copies of the Bond Resolution have been duly filed with the Trustee;
and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms herein set forth; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and the premium, if any, and interest thereon, the Issuer has authorized the execution and delivery of this Indenture; and

WHEREAS, the Issuer has determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the Issuer, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal limited obligations of the Issuer, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Indenture have been in all respects duly authorized; and

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of, and the premium, if any, and interest on, all Bonds at any time issued and outstanding under this Indenture, according to their tenor, to secure the performance and observance of all the covenants and conditions set forth therein and herein and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, to secure all obligations owed by the Borrower to the Credit Facility Provider under a Credit Facility Agreement, if any, or to the Liquidity Facility Provider under a Liquidity Facility Agreement, if any and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Holders (as defined herein) thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Issuer does hereby irrevocably grant, convey, transfer, assign and pledge unto the Trustee all right, title and interest of the Issuer in, to and under the Loan Agreement (except the Unassigned Issuer Rights), and does hereby covenant and agree with the Trustee, for the equal and proportionate benefit of the respective Holders from time to time of the Bonds and for the benefit of the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, as follows:

ARTICLE I DEFINITIONS; CONTENT OF CERTIFICATES AND OPINIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Article shall, for all purposes of this Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

"**Accountant**" means any firm of independent certified public accountants selected by the Borrower and reasonably acceptable to the Trustee.

"**Act**" means Subchapter D of Chapter 431, Texas Transportation Code, as amended.

"**Administrative Fees and Expenses**" means the fees and expenses incurred by the Issuer and the City with respect to the Loan Agreement, this Indenture and any transaction or event contemplated by the Loan Agreement or this Indenture, the fees and expenses of Bond Counsel and the reasonable fees and disbursements of counsel to the Issuer and the City, as determined by the Issuer and the City, respectively, the fees and expenses of the financial advisor to the Issuer, and the issuance fee and out-of-pocket expenses of the Issuer incurred in connection with the authorization, issuance and sale of the Bonds and the compensation and reimbursement of fees, disbursements, expenses and advances payable to the Trustee, the Registrar, the Paying Agent, the Tender Agent and the Remarketing Agent.

"**Agreement**" means, during the Initial Period, the *Continuing Covenant Agreement*, dated as of November 1, 2013, between the Borrower and the Bank, as the same may be amended, supplemented, restated or otherwise modified from time to time, and during any Index Rate Period other than the Initial Period, means any agreement between the Borrower and the Bank which may be designated as the Agreement.

"**Applicable Factor**" means (i) during the Initial Period 71.22%; and (ii) during any other Index Rate Period, (A) 71.22%, or (B) with an Opinion of Bond Counsel, such other percentage as may be designated in writing by the Borrower as the Applicable Factor for such Index Rate Period pursuant to Section 2.02(g)(2).

"**Applicable Spread**" means, with respect to each Index Rate Period, the following:

(a) During the Initial Period, 135 basis points (1.35%).

(b) During any Index Rate Period other than the Initial Period, the number of basis points determined by the Market Agent on or before the first day of such Index Rate Period and designated by the Borrower in accordance with Section 2.02(g)(2) that, when added to the SIFMA Index or the product of the LIBOR Index multiplied by the Applicable Factor, as applicable, would equal the minimum interest rate per annum that would enable the Bonds to be sold on such date at a price equal to the principal amount thereof (without regard to accrued interest, if any, thereon).

"**Authorized Denomination**" means (a) during any Index Rate Period, \$250,000 or any integral multiple of \$5,000 in excess thereof, (b) with respect to Variable Rate Bonds and Short-Term Rate Bonds, \$100,000 or any integral multiple of \$5,000 in excess thereof and (c) with respect to Fixed Rate Bonds and Long Term Rate Bonds, \$5,000 or any integral multiple thereof.

"Authorized Representative" means, (i) with respect to the Borrower, the person or persons at the time designated to act on behalf of the Borrower by a written certificate signed by the Borrower, furnished to the Trustee, the Credit Facility Provider, if any, the Liquidity Facility Provider, if any, and the Issuer, containing the specimen signature of each such person (ii) and with respect to the Credit Facility Provider, if any, and the Liquidity Facility Provider, the person or persons at the time designated to act on behalf of the Credit Facility Provider and the Liquidity Facility Provider, respectively, by a written certificate signed by the Credit Facility Provider and the Liquidity Facility Provider, furnished to the Trustee, the Borrower and the Issuer, containing the specimen signature of each such person.

"Available Moneys" means, only while a Credit Facility is then in effect, (i) Bond proceeds deposited with the Trustee contemporaneously with the issuance and sale of the Bonds and which were continuously thereafter held subject to the lien of this Indenture in a separate and segregated fund, account or subaccount established hereunder (except the Rebate Fund) in which no moneys which were not Available Moneys were at any time held, together with investment earnings on such Bond proceeds; (ii) moneys (A) paid by the Borrower to the Trustee, (B) held in any fund, account or subaccount established hereunder (except the Rebate Fund) in which no other moneys which are not Available Moneys are held, and (C) which have so been on deposit with the Trustee for at least 124 consecutive days from their receipt by the Trustee during and prior to which period no petition by or against the Issuer or the Borrower (or any other Person, obligated, as guarantor or otherwise, to make payments on the Bonds or under the Agreement, a Liquidity Facility Agreement, or a Credit Facility Agreement or an "affiliate" of the Borrower as defined in Bankruptcy Code § 101(2)) under any bankruptcy or similar law now or hereafter enacted shall have been filed (unless such petition shall have been dismissed and such dismissal be final and not subject to appeal), together with investment earnings on such moneys; (iii) moneys received by the Trustee from any draw on a Credit Facility or a Liquidity Facility, together with investment earnings on such moneys; (iv) proceeds from the remarketing of any Bonds pursuant hereto to any person other than the Borrower (or any other Person obligated, as guarantor or otherwise, to make payments on the Bonds or under the Loan Agreement or a Credit Facility Agreement related to such Credit Facility or an "affiliate" of the Borrower as defined in Bankruptcy Code §101(2)) or the Issuer; and (v) any other moneys or securities delivered to the Trustee, including without limitation the proceeds from the issuance and sale of refunding bonds, if there is delivered to the Trustee at the time such moneys or securities are delivered to the Trustee an opinion (which may assume that no owner of Bonds is an "insider" within the meaning of the Bankruptcy Code) of nationally recognized bankruptcy counsel to the effect that the use of such proceeds to pay the principal of, premium, if any, or interest on the Bonds would not be avoidable as preferential payments under Section 547 of the Bankruptcy Code should the Issuer or the Borrower (or any other Person obligated, as guarantor or otherwise, to make payments on the Bonds or under the Loan Agreement or a Credit Facility Agreement related to such Credit Facility or an "affiliate" of the Borrower as defined in Bankruptcy Code §101(2)) become a debtor in a proceeding commenced thereunder.

"Bank" means, during any Index Rate Period, the Holder of the Bonds, provided that there is a single Holder of all of the Bonds of each series and provided further that the Bonds are not then held under the Book-Entry System. If there is more than one Holder of the Bonds of a series during

any Index Rate Period, "Bank" means Holders owning a majority of the aggregate principal amount of the Bonds of such series then Outstanding. If the Bonds are then held under the Book-Entry System, "Bank" means the Beneficial Owner of the Bonds, provided that there is a single Beneficial Owner of all of the Bonds of each series. If there is more than one Beneficial Owner of the Bonds of a series during any Index Rate Period, "Bank" means Beneficial Owners who are the beneficial owners of a majority of the aggregate principal amount of such series of Bonds then Outstanding. The initial Bank is U.S. Bank National Association.

"Bank Bond" means a Bond (or a beneficial interest therein) that, as more fully described in Section 3.14(d), is purchased (or provided to be purchased) by the Tender Agent pursuant to this Indenture with amounts requested by the Tender Agent and paid or provided by the Liquidity Facility Provider under the Liquidity Facility relating to such Bond (which Bond shall remain a Bank Bond unless and until such Bond ceases to be a Bank Bond as described in Section 3.14).

"Bank Purchase Date" means, during any Index Rate Period, (i) the Initial Bank Purchase Date, (ii) during any Index Rate Period other than the Initial Period, the date designated by the Borrower pursuant to Section 2.02(g)(2), and (iii) the date which is seven calendar days (or if such seventh calendar day is not a Business Day, the next Business Day) after the date on which the Trustee receives written notice from the Bank under the Agreement which (x) advises the Trustee of the occurrence and continuance of an "Event of Default" under and as defined in the Agreement and (y) directs the Trustee to cause a mandatory tender of the Bonds of the particular series to which the Agreement relates by reason of such "Event of Default."

"Bank Rate" means the rate of interest borne by a Bank Bond, as specified and/or determined in accordance with the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond.

"Base Rate" means, for any day, a fluctuating rate of interest per annum equal to the greater of (i) the Prime Rate in effect at such time plus one percent (1.00%) per annum, and (ii) the Federal Funds Rate in effect at such time plus two percent (2.00%) per annum.

"Bankruptcy Code" means Title 11 of the United States Code, as amended, and any successor statute or statutes having substantively the same function.

"Beneficial Owners" has the meaning assigned to such term set forth in Section 2.08 hereof.

"Bond Counsel" means McCall, Parkhurst & Horton L.L.P or such other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and selected by the Issuer and reasonably acceptable to the Borrower, but shall not include counsel for the Borrower.

"Bondholder." See "Holder."

"**Bond Registrar**" or "**Registrar**" means the entity or entities appointed pursuant to Section 8.10 hereof.

"**Bonds**" means all revenue bonds of the Issuer authorized by and at any time Outstanding pursuant hereto and executed, issued and delivered in accordance with Section 2.01 hereof.

"**Book-Entry System**" means a system under which ownership of the Bonds is registered in the name of a Securities Depository such as the Depository Trust Company or any successor thereto.

"**Borrower**" means ALAMO NATIONAL BUILDING DEVELOPMENT, LP, a limited partnership duly organized and existing under the laws of the State of Missouri, or any entity which is the surviving, resulting or transferee entity in any merger, consolidation or transfer of assets permitted under Section 5.2 of the Loan Agreement.

"**Borrower Elective Purchase Date**" means the date designated by the Borrower for the purchase of Variable Rate Bonds pursuant to Section 3.10(g).

"**Borrower Purchase Account**" means the account by that name in the Purchase Fund established pursuant to Section 3.09.

"**Business Day**" means any day other than (i) a Saturday or Sunday, (ii) a day on which commercial banks in New York, New York, or the city or cities in which the Paying Agent, or the Corporate Trust Office of the Trustee or the Tender Agent or, if applicable, the office of the Liquidity Facility Provider at which demands for payment under the Liquidity Facility are to be presented are authorized or required by law to close, (iii) a day on which the New York Stock Exchange is closed, or (iv) if a Credit Facility is in effect, any day not a Business Day as defined in the Credit Facility.

"**Calculation Agent**" means the Bank or any other party appointed by the Issuer upon request of the Borrower and with the consent of the Bank so long as the Bank owns a majority of the Bonds of the related series.

"**Certificate**," "**Statement**," "**Request**," "**Requisition**" or "**Order**" of the Issuer or the Borrower means, respectively, a written certificate, statement, request, requisition or order signed in the name of the Issuer by the President or Vice President of its Board of Directors, its Executive Director or such other person as may be designated and authorized to sign for the Issuer, or in the name of the Borrower by an Authorized Representative of the Borrower. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.02 hereof, each such instrument shall include the statements provided for in Section 1.02 hereof.

"**City**" means the City of San Antonio, Texas.

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time.

"**Completion Date**" means the date of completion of the construction of the Project as that date shall be certified as provided in Section 3.3 of the Loan Agreement.

"**Computation Date**" means with respect to Index Rate Bonds, (i) during each SIFMA Index Rate Period, Wednesday of each week, or if any Wednesday is not a Business Day, the next succeeding Business Day and (ii) during each LIBOR Index Rate Period, the second New York Banking Day preceding each LIBOR Index Reset Date.

"**Continuing Disclosure Agreement**" means any Continuing Disclosure Agreement by the Borrower relating to the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"**Conversion Date**" means an Index Rate Conversion Date, a Variable Rate Conversion Date, a Short-Term Rate Conversion Date, a Long-Term Rate Conversion Date, or the Fixed Rate Conversion Date.

"**Corporate Trust Office**" means, (i) with respect to the Trustee, the designated corporate trust office of the Trustee at 14241 Dallas Parkway, Suite 490, Dallas, Texas 75254, or such other office designated by the Trustee from time to time, and (ii) with respect to the Tender Agent and the Bond Registrar, if other than the Trustee, such office designated by the Tender Agent or the Bond Registrar, as the case may be, to the Borrower, the Remarketing Agent, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, as its Corporate Trust Office.

"**Costs of Issuance**" means all items of expense directly or indirectly payable by or reimbursable to the Issuer or the Borrower and related to the authorization, issuance, sale and delivery of the Bonds, including but not limited to costs of preparation and reproduction of documents, printing expenses, filing and recording fees, the issuance fee of the Issuer, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds which constitutes a "cost of issuance" within the meaning of Section 147(g) of the Code.

"**Costs of Issuance Fund**" means the fund by that name established pursuant to Section 2.12 hereof.

"**Credit Facility**" means a letter of credit (including, if applicable, a confirming letter of credit), bond insurance policy or similar credit facility issued by a commercial bank, savings institution, insurer or other financial institution, which, by its terms, shall secure the payment of the principal of and interest on a series of Bonds when due, delivered to the Trustee.

"**Credit Facility Agreement**" means, with respect to a Credit Facility then in effect, the separate agreement, if any, under and pursuant to which such Credit Facility is issued.

"Credit Facility Date" means a date on which a Credit Facility is accepted, including a substitution, by the Trustee and becomes effective with respect to a series of Bonds in accordance with Section 3.17. The date of any renewal or extension of the expiration date of a Credit Facility then in effect shall not be considered to be a Credit Facility Date for purposes of this Indenture.

"Credit Facility Fund" means the fund by that name established pursuant to Section 4.05 hereof.

"Credit Facility Provider" means the commercial bank, savings institution, insurer or other financial institution issuing a Credit Facility.

"Daily Interest Period" means each period during which a particular Daily Rate is in effect with respect to a series of Bonds pursuant to Section 2.02(c).

"Daily Rate" means an interest rate for Bonds of a series that is determined on each Business Day pursuant to Section 2.02(c).

"Daily Rate Bonds" means Bonds of a series that bear interest at a Daily Rate.

"Daily Rate Conversion Date" means a day on which interest on a series of Bonds begins to accrue at a Daily Rate following conversion pursuant to Section 2.02(g).

"Daily Rate Period" means each period during which Bonds of a series are Daily Rate Bonds.

"Default Rate" means, for any day, a rate of interest per annum equal to the sum of the Base Rate in effect on such day plus five percent (5.00%) per annum.

"Determination of Taxability" means a determination that, due to the untruth or inaccuracy of any representation or warranty made by the Borrower in the Loan Agreement or the breach of any covenant or warranty of the Borrower contained in the Loan Agreement, interest on a series of Bonds, or any of them, is determined not to be Tax-exempt by a final administrative determination of the Internal Revenue Service or a final judicial decision of a court of competent jurisdiction in a proceeding of which the Borrower received notice and in which the Borrower was afforded an opportunity to participate to the full extent permitted by law. A determination or decision will not be considered final for purposes of the preceding sentence unless (A) the Issuer or the holder or holders of the Bonds involved in the proceeding in which the issue is raised (i) shall have given the Borrower and the Trustee prompt written notice of the commencement thereof, and (ii) shall have offered the Borrower the opportunity to control the proceeding; provided the Borrower agrees to pay all expenses in connection therewith and to indemnify such holder or holders against all liability for such expenses (except that any such holder may engage separate counsel, and the Borrower shall not be liable for the fees or expenses of such counsel); and (B) such proceeding shall not be subject to a further right of appeal or shall not have been timely appealed.

"Direct Participant" means a broker-dealer, bank and other financial institution from time to time for which DTC holds a series of Bonds as securities depository.

"DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the New York Banking Law, or any successor securities depository for the Bonds.

"Eligible Account" means an account that is either (a) maintained with a federal or state-chartered depository institution or trust company that has a Standard & Poor's short-term debt rating of at least 'A-2' (or, if no short-term debt rating, a long-term debt rating of 'BBB+'); or (b) maintained with the corporate trust department of a federal depository institution or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit, which, in either case, has corporate trust powers and is acting in its fiduciary capacity.

"Eligible Bonds" means any Bonds of a series other than Bank Bonds or Bonds owned by or for the account of, or on behalf of, the Borrower, any affiliate of the Borrower, or any broker-dealer owning Bonds pursuant to an arrangement with the Borrower or any affiliate of the Borrower.

"Event of Default" means any of the events specified in Section 6.01 hereof.

"Excess Interest" has the meaning set forth in Section 2.02(b)(3)(iii) hereof.

"Expiration Date" means the earlier of the Stated Expiration Date or any date upon which a Liquidity Facility or a Credit Facility expires in accordance with its terms, other than any date that is also a Termination Date or a Conversion Date.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that: (a) if such day is not a Business Day, then the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day; and (b) if no such rate is so published on such next succeeding Business Day, then the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of one hundredth of one percent) charged to the Bank on such day on such transactions as determined by the Bank.

"Fixed Rate" means the interest rate or rates for a series of Bonds determined pursuant to Section 2.03.

"Fixed Rate Bonds" means Bonds of a series that bear interest at a Fixed Rate.

"Fixed Rate Conversion Date" means the day on which the interest rate on a series of Bonds is converted to the Fixed Rate.

"Government Obligations" means the following:

(A) bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations on which the full and timely payment of principal and interest is fully and unconditionally guaranteed by, the United States of America; and

(B) evidences of direct ownership of a proportionate or individual interest in future interest or principal payments on specified direct obligations of, or obligations for which the full and timely payment of the principal of and interest is unconditionally guaranteed by, the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian in form and substance satisfactory to the Trustee.

"Holder" or **"Bondholder"** or **"Owner,"** whenever used herein with respect to a Bond, means the person in whose name such Bond is registered on the books of the Bond Registrar.

"Indenture" means this Indenture, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

"Index Rate" means the LIBOR Index Rate, Default Rate, Taxable Rate, or the SIFMA Index Rate, as applicable.

"Index Rate Bonds" means Bonds of a particular series that bear interest at an Index Rate.

"Index Rate Conversion Date" each date on which a Variable Rate Period, a Short-Term Interest Period, or a Long-Term Interest Period is changed to an Index Rate Period, or the then-current Index Rate Period is changed to a new Index Rate Period, pursuant to Section 2.02(g).

"Index Rate Period" means any period during which the Bonds of a series bear interest at an Index Rate.

"Initial Bank Purchase Date" means December 2, 2018, which date shall be automatically extended to December 2, 2020 upon request of the Borrower and satisfaction of the Extension Conditions (as defined in the Agreement).

"Initial Period" means, with respect to each series of Bonds, the initial Index Rate Period commencing on the Issuance Date and ending on the first to occur of (i) the Initial Bank Purchase Date, (ii) the Conversion Date for such series of Bonds next succeeding the Issuance Date (provided that the Bank shall have consented thereto in writing), (iii) the Maturity Date for such series of Bonds, and (iv) a Bank Purchase Date.

"Interest Payment Date" means:

(a) with respect to Index Rate Bonds and Variable Rate Bonds, the first Business Day of each month and any day that is a Conversion Date for such Index Rate Bonds or Variable Rate Bonds;

(b) with respect to Short-Term Rate Bonds, the first Business Day after the last day of each Short-Term Rate Period and any day that is a Conversion Date for such Short-Term Rate Bonds;

(c) with respect to Long-Term Rate Bonds, each Payment Date and any day that is a Conversion Date for such Long-Term Rate Bonds;

(d) with respect to Fixed Rate Bonds, each Payment Date;

(e) with respect to a series of Bonds, the Maturity Date for such series of Bonds;
and

(f) with respect to each Bank Bond, has the meaning set forth in the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond.

(g) with respect to each Unremarketed Bond, the date such Bond ceases to be an Unremarketed Bond.

"Interest Payment Period" means:

(a) with respect to Index Rate Bonds, the period from and including the Issuance Date or the Index Rate Conversion Date, as applicable, to and including the last calendar day of such month (or the calendar day immediately preceding a day that is a Conversion Date for such Index Rate Bonds) and thereafter, the period from and including the first calendar day of each month to and including the last calendar day of such month;

(b) with respect to Variable Rate Bonds, or Short-Term Rate Bonds, the period from and including an Interest Payment Date for such Bonds to but excluding the next succeeding Interest Payment Date for such Bonds; and

(c) with respect to Fixed Rate Bonds or Long-Term Rate Bonds, the period from and including the Fixed Rate Conversion Date or the Long-Term Rate Conversion Date, as applicable, to and including the calendar day immediately preceding the next Interest Payment Date for such Bonds and thereafter, the period from and including each Interest Payment Date for such Bonds to and including the calendar day immediately preceding the next Interest Payment Date for such Bonds.

"Interest Rate Mode" means an Index Rate Period, Daily Rate Period, Weekly Rate Period, Short-Term Rate Period, or Long-Term Rate Period.

"*Investment Securities*" means any of the following securities (other than those issued by the Issuer or the Borrower):

(A) Government Obligations;

(B) bonds, notes or other obligations of any state of the United States or any political subdivision of any state, which at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;

(C) certificates of deposit or time or demand deposits constituting direct obligations of any bank, bank holding company, savings and loan association or trust company organized under the laws of the United States or any state thereof (including the Trustee or any of its affiliates), except that investments may be made only in certificates of deposit or time or demand deposits which are:

(1) insured by the Bank Insurance Fund or the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or any other similar United States Government deposit insurance program then in existence; or

(2) continuously and fully secured by Government Obligations, which have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time or demand deposits; or

(3) issued by a bank, bank holding company, savings and loan association or trust company under the laws of the United States or any state thereof (including the Trustee or any of its affiliates) whose outstanding unsecured long-term debt is rated at the time of issuance in either of the two highest rating categories by a nationally recognized rating service;

(D) repurchase agreements with any bank, bank holding company, savings and loan association, trust company or other financial institution organized under the laws of the United States of America or any state thereof (including the Trustee or any of its affiliates), that are continuously and fully secured by Government Obligations and which have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreements, provided that each such repurchase agreement conforms to current industry standards as to form and time, is in commercially reasonable form, is for a commercially reasonable period, results in transfer of legal title to identified Government Obligations which are segregated in a custodial or trust account for the benefit of the Trustee, and further provided that Government Obligations acquired pursuant to such repurchase agreements shall be valued at the lower of the then current market value thereof or the repurchase price thereof set forth in the applicable repurchase agreement;

(E) investment agreements constituting an obligation of a bank, bank holding company, savings and loan association, trust company, insurance company or other financial

institution whose outstanding unsecured short-term debt is rated at the time of such agreement in the highest rating category by a nationally recognized rating service or whose outstanding unsecured long-term debt is rated at the time of such agreement in either of the two highest rating categories by a nationally recognized rating service;

(F) short term discount obligations of the Federal National Mortgage Association and the Government National Mortgage Association;

(G) money market mutual funds (including proprietary money market mutual funds of the Trustee or its affiliates) (1) that invest in Government Obligations or that are registered with the Securities and Exchange Commission, meeting the requirements of Rule 2a-7 under the Investment Company Act of 1940, as amended, and (2) that are rated in either of the two highest categories by a nationally recognized rating service; and

(H) such other investments permitted by law and approved in writing by the Credit Facility Provider, if any.

"Issuance Date" means December [2], 2013.

"Issuer" means the CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION together with its permitted successors or assigns.

"LIBOR Index" means, for any day, the London interbank offered rate for U.S. dollar deposits for a one-month period, as reported on Reuters Screen LIBOR01 Page or any successor thereto, which shall be that one-month LIBOR rate in effect two New York Banking Days prior to the LIBOR Index Reset Date, adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation, such rate to be reset monthly on each LIBOR Index Reset Date, or is such rate is not available, another rate determined by the Calculation Agent of which the Issuer has received written notice.

"LIBOR Index Rate" means a per annum rate of interest established on each Computation Date equal to the product of (x) the sum of (a) the Applicable Spread plus (b) the product of (i) the LIBOR Index multiplied by (ii) the Applicable Factor multiplied by (y) **the Margin Rate Factor**.

"LIBOR Index Rate Conversion Date" means (a) the date on which the Bonds of a series begin to bear interest at the LIBOR Index Rate or (b) if the Bonds of a series have previously borne interest at the LIBOR Index Rate during a LIBOR Index Rate Period then ending, the Bank Purchase Date occurring at the end of the then ending LIBOR Index Rate Period.

"LIBOR Index Rate Period" means with respect to each series of Bonds (a) the Initial Period and (b) each period thereafter from and including a LIBOR Index Rate Conversion Date to but excluding the earliest of (i) the immediately succeeding Bank Purchase Date, (ii) the immediately succeeding Conversion Date and (iii) the Maturity Date.

"LIBOR Index Reset Date" means the first calendar day of each calendar month.

"Liquidity Account" means the account by that name in each Purchase Fund established pursuant to Section 3.09.

"Liquidity Facility" means a letter of credit, line of credit, bond purchase agreement, insurance policy or other similar agreement that provides for the purchase of, or the funding of amounts to purchase, Bonds subject to purchase on Purchase Dates issued and delivered with respect to such Bonds pursuant to Section 3.16.

"Liquidity Facility Agreement" means, with respect to a Liquidity Facility then in effect, the separate agreement, if any, under and pursuant to which such Liquidity Facility is issued (it being understood and acknowledged that there may but need not be a Liquidity Facility Agreement with respect to a Liquidity Facility).

"Liquidity Facility Date" means a date on which a Liquidity Facility is accepted, including a substitution, by the Tender Agent and becomes effective with respect to a series of Bonds in accordance with Section 3.16. The date of any renewal or extension of the expiration date of a Liquidity Facility then in effect shall not be considered to be a Liquidity Facility Date for purposes of this Indenture.

"Liquidity Facility Provider" means, with respect to a Liquidity Facility then in effect, the Person or Persons that are obligated to purchase, or to advance funds to provide for the purchase of, Bonds of a series under and in accordance with such Liquidity Facility; provided, however, that "Liquidity Facility Provider" means the Liquidity Facility Provider with respect to the Liquidity Facility, if any, in effect with respect to such Bonds; and "Liquidity Facility Providers" means all Liquidity Facility Providers with respect to all Liquidity Facilities in effect with respect to such Bonds.

"Liquidity Facility Request" has the meaning defined in Section 3.09(c)(1) hereof.

"Loan Agreement" means that certain Loan Agreement by and between the Issuer and the Borrower, dated as of November 1, 2013, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of this Indenture.

"Loan Default Event" means any one or more of the events specified in Section 7.1 of the Loan Agreement.

"Loan Payments" means the loan repayments required to be made by the Borrower pursuant to Section 4.2(a) of the Loan Agreement.

"Long-Term Interest Period" means each period during which a particular Long-Term Rate is in effect with respect to a series of Bonds pursuant to Section 2.02(f)(1).

"Long-Term Rate" means an interest rate for the Bonds of a series that is determined for a term of at least 12 months for such Bonds pursuant to Section 2.02(f).

"Long-Term Rate Bonds" means Bonds of a series which bear interest at a Long-Term Rate.

"Long-Term Rate Conversion Date" means a day on which interest begins to accrue on a series of Bonds at a Long-Term Rate following conversion pursuant to Section 2.02(g).

"Long-Term Rate Mandatory Purchase Date" means the first day after the last day of each Long-Term Interest Period.

"Long-Term Rate Period" means a period during which the Bonds of a series are Long-Term Rate Bonds.

"Margin Rate Factor" means the greater of (i) 1.0 and (ii) the product of (a) one minus the Maximum Federal Corporate Tax Rate multiplied by (b) 1.53846. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change.

"Market Agent" means any Person appointed by the Issuer at the request of the Borrower to serve as market agent in connection with a conversion to an Index Rate Period.

"Maturity Date" or **"Principal Payment Date"** means October 1, 2035 with respect to the Series 2013A Bonds and October 1, 2037 with respect to the Series 2013B Bonds.

"Maximum Federal Corporate Tax Rate" means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Bank, the maximum statutory rate of federal income taxation which could apply to the Bank).

"Maximum Rate" means the lesser of (i) 25% per annum, or (ii) the maximum interest rate which, at any point in time, if borne by the Bonds of a series through the Maturity Date, would result in a "net effective interest rate" (as defined and calculated in accordance with the provisions of Chapter 1204, Texas Government Code) which does not exceed fifteen percent (15%) per annum.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Borrower, with the approval of the Remarketing Agent.

"Nonreinstatement Date" means, with respect to a Liquidity Facility, the date which is seven calendar days (or if such seventh calendar day is not a Business Day, the Business Day immediately

preceding such seventh calendar day) after the date on which the Trustee receives written notice from the Liquidity Facility Provider to the effect that an event of default under the related Liquidity Facility Agreement has occurred and as a result thereof a drawing under the Liquidity Facility to pay interest on the Bonds of a series will not be reinstated.

"Operator" means **DRURY HOTELS COMPANY, LLC**, a Nevada limited liability company, and any other entity selected by an entity acting on behalf of the Borrower to manage and operate the Project, together with any permitted successors and assigns.

"Opinion of Bond Counsel" when used with reference to this Indenture means a written opinion of Bond Counsel in form and substance acceptable to the Issuer, the Bank and the Trustee, which opinion may be based on a ruling or rulings of the Internal Revenue Service.

"Opinion of Counsel" means a written opinion of counsel (who may be counsel for the Borrower) selected by the Borrower and acceptable to the Issuer. If and to the extent required by the provisions of Section 1.02 hereof, each Opinion of Counsel shall include the statements provided for in Section 1.02 hereof.

"Optional Liquidity Payments" has the meaning given in Section 5.01(b).

"Outstanding," when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 11.10 hereof) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except (1) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (2) Bonds with respect to which liability of the Issuer shall have been discharged in accordance with Section 10.02 hereof; and (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture, including, without limitation, Undelivered Bonds.

"Paying Agent" means U.S. Bank National Association, or any successor Paying Agent under this Indenture.

"Payment Date" applies only while a Bond is a Long-Term Rate Bond or a Fixed Rate Bond and means each April 1 and October 1 of each year.

"Person" means an individual, corporation, firm, association, limited liability company, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Prime Rate" means on any day, the rate of interest per annum then most recently established by the Bank as its "prime rate." Any such rate is a general reference rate of interest, may not be related to any other rate, and may not be the lowest or best rate actually charged by the Bank to any customer or a favored rate and may not correspond with future increases or decreases in interest rates charged by other lenders or market rates in general, and that the Bank may make various

business or other loans at rates of interest having no relationship to such rate. If the Bank ceases to establish or publish a prime rate from which the Prime Rate is then determined, the applicable variable rate from which the Prime Rate is determined thereafter shall be instead the prime rate reported in The Wall Street Journal (or the average prime rate if a high and a low prime rate are therein reported), and the Prime Rate shall change without notice with each change in such prime rate as of the date such change is reported. For purposes of this definition, U.S. Bank National Association shall be considered the "Bank" in the event (i) there is more than a single Holder of all of the Bonds of a series, or (ii) the single Holder of a series of Bonds is not a commercial bank or other financial institution which makes business or other loans.

"Project" means the structures, fixtures and improvements financed in whole or in part from the proceeds of the sale of the Bonds as more fully described in Exhibit A to the Loan Agreement.

"Purchase Date" means each date on which (i) Variable Rate Bonds are subject to optional or mandatory purchase, and on which Short-Term Rate Bonds and Long-Term Rate Bonds are subject to mandatory purchase, pursuant to Section 3.08 and Section 3.10 of this Indenture, (ii) a Bank Purchase Date, and (iii) during any Index Rate Period, the date which is the last Business Day prior to the 120th day following receipt of notice by the Borrower and the Trustee from the Bank of a Taxable Date.

"Purchase Fund" means the fund by that name established pursuant to Section 3.09 of this Indenture (it being expressly stated, for the avoidance of any doubt, that the Purchase Fund shall be separate from the purchase funds for any other series of bonds of the Issuer or the Borrower).

"Purchase Price" means, with respect to an Index Rate Bond, a Variable Rate Bond, a Short-Term Rate Bond or a Long-Term Rate Bond subject to purchase on a Purchase Date, an amount equal to the principal amount thereof plus, if such Purchase Date is not an Interest Payment Date therefor, accrued and unpaid interest thereon to such Purchase Date.

"Purchase Price Payments" means the purchase price payments required to be made by the Borrower pursuant to Section 4.2(b) of the Loan Agreement.

"Purchaser Letter" means a letter substantively in the form set forth in Exhibit B hereto.

"Qualified Newspaper" means The Wall Street Journal or The Bond Buyer or any other newspaper or journal containing financial news, printed in the English language and customarily published on each Business Day, of general circulation in New York, New York, and selected by the Trustee, whose decision shall be final and conclusive.

"Rating Agency" means Moody's, if Moody's is then rating the Bonds, and S&P, if S&P is then rating the Bonds, or any other nationally recognized securities rating agency selected by the Borrower, with the approval of the Remarketing Agent.

"Rebate Fund" means the fund by that name created pursuant to Section 4.07 hereof.

"Record Date" means, with respect to any Interest Payment Date, (a) with respect to Index Rate Bonds, Variable Rate Bonds, or Short-Term Rate Bonds, means the Business Day immediately preceding such Interest Payment Date, and (b) with respect to Long-Term Rate Bonds or Fixed Rate Bonds, means the 15th day of the month immediately preceding such Interest Payment Date, whether or not such day is a Business Day.

"Redemption Price" means, with respect to any Bond (or portion thereof), the principal amount of such Bond (or portion thereof) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and this Indenture.

"Regulations" means the Income Tax Regulations promulgated pursuant to the Code.

"Reimbursement Obligations" means with respect to the Bonds for which a Credit Facility or Liquidity Facility has been delivered, all obligations of the Borrower under the applicable Credit Facility Agreement or Liquidity Facility Agreement with the Credit Facility Provider or Liquidity Facility Provider issuing such Credit Facility or Liquidity Facility to pay the principal and Purchase Price of, and interest on such Bonds, together with accrued interest thereon under the terms of such Credit Facility Agreement or Liquidity Facility, as the case may be.

"Remarketing Account" means the account by that name in the Purchase Fund established pursuant to Section 3.09.

"Remarketing Agent" means the remarketing agent appointed with respect to a series of Bonds pursuant to Section 3.12 or any successor thereto appointed pursuant to Section 3.12.

"Remarketing Agreement" means a remarketing agreement entered into by the Borrower and the Remarketing Agent with respect to a series of Bonds and any other similar agreement entered into with a successor Remarketing Agent with respect to such Bonds or in conjunction with a Variable Rate Conversion Date, a Short Term Rate Conversion Date, or a Long Term Rate Conversion Date with respect to such Bonds, in each case, as such agreement may from time to time be amended or supplemented in accordance with its terms and the terms of the Liquidity Facility, if any, the related Liquidity Facility Agreement.

"Required Liquidity Payments" has the meaning given in Section 5.01(a).

"Revenues" means all amounts received by the Issuer or the Trustee for the account of the Issuer pursuant or with respect to the Loan Agreement, if applicable, a Credit Facility, including, without limiting the generality of the foregoing, Loan Payments (including both timely and delinquent payments and any late charges paid from whatever source), prepayments, insurance proceeds, condemnation proceeds, and all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to this Indenture, but not including payments to the Issuer, the Trustee or other parties pursuant to Sections 4.2(c), (d) and (e), 5.10, 7.3, 9.2, 9.3, and 9.4 of the Loan Agreement (including without limitation any Administrative Fees and Expenses and any moneys received by the Issuer from the Unassigned Issuer Rights), any

moneys paid for deposit into the Rebate Fund pursuant to Section 4.2(f) of the Loan Agreement, and Purchase Price Payments pursuant to Section 4.2(b) of the Loan Agreement or other funds for the payment of the Purchase Price of Bonds.

"S&P" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, its successors and their assigns, or, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Borrower, with the approval of the Remarketing Agent.

"S&P Weekly High Grade Index" means for a Computation Date, the level of the "S&P Weekly High Grade Index" (formerly known as the J.J. Kenny Index) maintained by Standard and Poor's Securities Evaluations Inc. for a one-week maturity as published each Wednesday, or if any Wednesday is not a Business Day, on the next succeeding Business Day.

"Short-Term Interest Period" means each period during which a particular Short-Term Rate is in effect with respect to a particular Short-Term Rate Bond pursuant to Section 2.02(e)(1).

"Short-Term Rate" means, with respect to a particular Short-Term Rate Bond, an interest rate that is determined on a periodic basis for such Short-Term Rate Bond pursuant to Section 2.02(e).

"Short-Term Rate Bonds" means Bonds of a series which bear interest at a Short-Term Rate.

"Short-Term Rate Conversion Date" means a day on which interest begins to accrue on the Bonds of a series at one or more Short-Term Rates following conversion pursuant to Section 2.02(g).

"Short-Term Rate Mandatory Purchase Date" means the first day after the last day of each Short-Term Interest Period.

"Short-Term Rate Period" means each period during which the Bonds of a series are Short-Term Rate Bonds.

"SIFMA" means the Securities Industry & Financial Markets Association (formerly The Bond Market Association).

"SIFMA Index" means, for any Computation Date, the level of the index which is issued weekly and which is compiled from the weekly interest rate resets of tax-exempt variable rate issues included in a database maintained by Municipal Market Data which meet specific criteria established from time to time by SIFMA and issued on Wednesday of each week, or if any Wednesday is not a Business Day, the next succeeding Business Day. If the SIFMA Index is no longer published, then "SIFMA Index" shall mean the S&P Weekly High Grade Index. If the S&P Weekly High Grade Index is no longer published, then "SIFMA Index" shall mean the prevailing rate determined by the Calculation Agent for tax-exempt state and local government bonds meeting criteria determined in good faith by the Calculation Agent to be comparable under the circumstances

to the criteria used by SIFMA to determine the SIFMA Index immediately prior to the date on which SIFMA ceased publication of the SIFMA Index.

"SIFMA Index Rate" means a per annum rate of interest established on each Computation Date equal to the product of (x) the sum of the Applicable Spread plus the SIFMA Index and (y) the Margin Rate Factor.

"SIFMA Index Rate Conversion Date" means (a) the date on which the Bonds of a series begin to bear interest at the SIFMA Index Rate or (b) if the Bonds of a series have previously borne interest at the SIFMA Index Rate during a SIFMA Index Rate Period then ending, the Bank Purchase Date occurring at the end of the then ending SIFMA Index Rate Period.

"SIFMA Index Rate Period" means, with respect to each series of Bonds, each period from and including a SIFMA Index Rate Conversion Date to but excluding the earliest of (i) the immediately succeeding Bank Purchase Date, (ii) the immediately succeeding Conversion Date and (iii) the Maturity Date.

"SIFMA Rate Reset Date" means Thursday of each week.

"Special Record Date" means the date established by the Trustee pursuant to Section 2.01 as a record date for the payment of defaulted interest on a series of Bonds.

"State" means the State of Texas.

"Stated Expiration Date" means the date on which a Liquidity Facility or a Credit Facility is scheduled to expire in accordance with its terms, as such date may be extended from time to time in accordance with such Liquidity Facility or Liquidity Facility Agreement relating to such Liquidity Facility and Credit Facility or Credit Facility Agreement relating to such Credit Facility.

"Supplemental Indenture" means any indenture hereafter duly authorized and entered into between the Issuer and the Trustee, supplementing, modifying or amending this Indenture; but only if and to the extent that such Supplemental Indenture is authorized hereunder.

"Tax Agreement" means the Tax Agreement, dated as of November 1, 2013, among the Issuer, the Trustee, the Borrower and the Operator, together with any permitted amendments thereto, regarding compliance by the Borrower and the Operator with certain federal tax rules and regulations relating to the Bonds and the Project.

"Tax Letter of Representation" means the letter of representation regarding the use of the proceeds of the Bonds and other facts that are within the Borrower's knowledge, furnished by the Borrower to the Issuer in connection with the issuance of the Bonds.

"Taxable Date" means the date on which interest on the Bonds of a series is first includable in gross income of the Bondholder (including, without limitation, any previous Bondholder) thereof

as a result of an Event of Taxability as such a date is established pursuant to the Determination of Taxability.

"Taxable Rate" means an interest rate per annum at all times equal to the product of the Index Rate then in effect multiplied by the Taxable Rate Factor.

"Taxable Rate Factor" means 1.54.

"Tax-exempt" means, with respect to interest on any obligations of a state or local government, including the Bonds, that such interest is excludable from gross income of the Holders or Beneficial Owners thereof for federal income tax purposes (other than in the case of a Holder or Beneficial Owner of any Bonds who is a substantial user of the Project or a related person within the meaning of Section 147(a) of the Code) whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating tax liabilities, including any alternative minimum tax or environmental tax, under the Code.

"Tender Agent" means U.S. Bank National Association, the tender agent initially appointed pursuant to Section 3.06, or any successor thereto appointed pursuant to Section 3.07.

"Termination Date" means, with respect to a Liquidity Facility, the date which is seven calendar days (or if such seventh calendar day is not a Business Day, the Business Day immediately preceding such seventh calendar day) after the date on which the Trustee receives written notice from the Liquidity Facility Provider under such Liquidity Facility which (a) advises the Trustee of the occurrence and continuance of an "Event of Default" under and as defined in such Liquidity Facility or the related Liquidity Facility Agreement, and (b) directs the Trustee to cause a mandatory tender of the Bonds to which such Liquidity Facility relates by reason of such "Event of Default."

"Trustee" means U.S. Bank National Association, or its successor as Trustee hereunder as provided in Section 8.01.

"Unassigned Issuer Rights" means all of the rights of the Issuer under the Loan Agreement to receive additional payments under Section 4.2(d) thereof, to be held harmless and indemnified under Section 9.3 thereof, to be reimbursed for fees and expenses upon enforcement under Section 7.3 and Section 9.2 thereof, to receive notices under Section 10.1 thereof, and to give and withhold consent to amendments, changes, modifications and alterations of the Loan Agreement under Section 10.4 thereof and its right to enforce such rights.

"Undelivered Bond" means any Variable Rate Bond, Short-Term Rate Bond, or Long-Term Rate Bond which is subject to purchase pursuant to Section 3.08 and Section 3.10 on a Purchase Date and which is not tendered and delivered for purchase on such Purchase Date but as to which the Tender Agent holds in the Purchase Fund sufficient funds to pay the Purchase Price of such Variable Rate Bond, Short-Term Rate Bond, or Long-Term Rate Bond, as applicable.

"Undelivered Bond Payment Account" means the account by that name in the Purchase Fund established pursuant to Section 3.09.

"Unremarketed Bonds" means Bonds of a series which, on the applicable Purchase Date, have not been successfully converted to another Interest Rate Mode or remarketed to a party other than the Bank.

"Variable Rate" means a Daily Rate or a Weekly Rate.

"Variable Rate Bonds" means Bonds of a series that bear interest at a Variable Rate. Variable Rate Bonds shall not include Short-Term Rate Bonds or Long-Term Rate Bonds.

"Variable Rate Conversion Date" means a Daily Rate Conversion Date or a Weekly Rate Conversion Date.

"Variable Rate Period" means a Daily Rate Period or a Weekly Rate Period.

"Weekly Interest Period" means each period during which a particular Weekly Rate is in effect with respect to the Bonds of a series pursuant to Section 2.02(d)(1).

"Weekly Rate" means an interest rate for the Bonds of a series that is determined on a weekly basis pursuant to Section 2.02(d).

"Weekly Rate Bonds" means Bonds of a series that bear interest at a Weekly Rate.

"Weekly Rate Conversion Date" means a day on which interest begins to accrue on the Bonds of a series at a Weekly Rate following conversion pursuant to Section 2.02(g).

"Weekly Rate Period" means each period during which the Bonds of a series are Weekly Rate Bonds.

Section 1.02. Content of Certificates and Opinions. Every certificate or opinion provided for in this Indenture with respect to compliance with any provision hereof shall include (1) a statement that the Person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (2) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (3) a statement that, in the opinion of such Person, such Person has made or caused to be made such examination or investigation as is necessary to enable such Person to express an informed opinion with respect to the subject matter referred to in the instrument to which such Person's signature is affixed; (4) a statement of the assumptions upon which such certificate or opinion is based, and that such assumptions are reasonable; and (5) a statement as to whether, in the opinion of such Person, such provision has been complied with.

Any such certificate or opinion made or given by an officer of the Issuer or an officer or duly authorized representative of the Borrower may be based, insofar as it relates to legal, accounting or business matters of either of them, upon a certificate or opinion of or representation by counsel, an Accountant or a management consultant, unless such officer or representative knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous. Any such certificate or opinion made or given by counsel, an Accountant or a management consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Issuer or the Borrower, as the case may be) upon a certificate or opinion of or representation by an officer of the Issuer or the Borrower, unless such counsel, Accountant or management consultant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such Person's certificate or opinion or representation may be based, as aforesaid, is erroneous. The same officer of the Issuer or the Borrower, or the same counsel or Accountant or management consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Indenture, but different officers, counsel, Accountants or management consultants may certify to different matters, respectively.

Section 1.03. Interpretation. (a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

(d) All provisions set forth herein with respect to interest rates, redemption provisions, tender provisions, remarketing provisions, Liquidity Facility, and Credit Facility for "Bonds" shall be deemed to apply independently to the Series 2013A Bonds and the Series 2013B Bonds so that the Series 2013A Bonds at any time could bear interest in an Interest Rate Mode, and have redemption, tender, remarketing, Liquidity Facility and Credit Facility features, which are different from the Series 2013B Bonds.

END OF ARTICLE I

ARTICLE II THE BONDS

Section 2.01. Terms of the Bonds. The Bonds may be issued initially only as fully registered Bonds without coupons in Authorized Denominations. The Bonds shall be initially issued in the form of Index Rate Bonds and initially shall be issued in the form of one single certificated bond for each series of Bonds in the aggregate principal amount of such series of Bonds and registered in the name of the Holder thereof or as otherwise directed by such Holder. The Bonds shall be dated as of November 1, 2013.

The Series 2013A Bonds shall be issued in substantially the form set forth in Exhibit A hereof and shall mature (subject to prior redemption) on **October 1, 2035**, the Series 2013B Bonds shall be issued in substantially the form set forth in Exhibit A hereof and shall mature (subject to prior redemption) on **October 1, 2037**, and interest on the Bonds shall be payable on *January 2, 2014*, and on each Interest Payment Date thereafter. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 2.04. Each Bond bearing interest at an Index Rate shall contain a legend indicating that the transferability of such Bond is subject to the restrictions set forth in this Indenture.

The principal or Redemption Price of the Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Trustee. Payment of the interest on any Bond shall be made to the person whose name appears on the registration books of the Trustee as the Holder thereof as of the close of business on the Record Date for such Interest Payment Date, except that any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Record Date and shall be paid to the person in whose name the Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof being given to the Holders not less than ten days prior to such Special Record Date.

Bonds of each series shall be numbered in consecutive numerical order from R-1 upwards, and each Bond shall bear interest at the applicable rates determined pursuant to this Indenture from the date thereof, payable on the Interest Payment Dates.

Interest shall be paid by wire transfer (or upon request, or after the Fixed Rate Conversion Date, by check or draft mailed) on each Interest Payment Date to each Holder to the wire transfer account number or at the address, as the case may be, shown on the registration books maintained by the Trustee. After the Fixed Rate Conversion Date and at the written request of the Holder of at least \$1,000,000 in aggregate principal amount of Bonds of a series, interest may be paid by wire transfer to the address filed with the Trustee for such purpose.

Interest shall be calculated on the basis of (a) with respect to Variable Rate Bonds and Short-Term Rate Bonds, a 365- or 366-day year, as applicable, for the number of days actually elapsed, (b) with respect to LIBOR Index Rate Bonds, a 360-day year for the actual days elapsed (calculated by multiplying the Principal Amount by the interest rate, dividing that sum by 360, and

multiplying that amount by the actual days elapsed), (c) with respect to SIFMA Index Rate Bonds, a 365-day year for the actual days elapsed (calculated by multiplying the Principal Amount by the interest rate, dividing that sum by 365, and multiplying that amount by the actual days elapsed), and (d) with respect to Long-Term Rate Bonds and Fixed Rate Bonds, a 360-day year of twelve 30-day months.

The Bonds shall be subject to redemption and tender for purchase as provided in Article III. Notwithstanding anything herein to the contrary, for so long as the Bonds of a series bear interest at an Index Rate, the Issuer and the Trustee agree that all amounts payable to the Bank with respect to any Bonds of such series held by the Bank may be made by the Borrower directly to the Bank, upon the Bank's written notice to the Trustee and the Borrower (without any presentment thereof, except upon the payment of the final installment of principal, and without any notation of such payment being made thereon), in such manner or at such address in the United States as may be designated by the Bank in writing to the Trustee and the Borrower (the "**Bank Direct Payment Period**"), including during any Index Rate Period, during any time all or a portion of the Bonds of a series constitute Unremarketed Bonds, or are in a Variable Rate Period by the Bank debiting an account of the Borrower, as may be provided in the Agreement, Liquidity Facility Agreement or Credit Facility Agreement, as applicable. During any Bank Direct Payment Period, (i) any payment made shall be accompanied by sufficient information to identify the source and proper application of such payment, (ii) the Bank shall notify the Trustee in writing of any failure of the Issuer or the Borrower to make any payment of the principal of or interest on the Bonds when due, and the Trustee shall not be deemed to have any notice of such failure unless it has received such notice in writing, and (iii) if any Bonds are sold or transferred, the Bank shall notify the Trustee and the Borrower in writing of the name and address of the transferee, the effective date of the transfer, the principal amount of the Bonds transferred and the payment information notated on the Bonds as hereinafter described, and it will, prior to delivery of such Bonds, make a notation on such Bonds of the date to which interest has been paid thereon and of the amount of any prepayments made on account of the principal thereof. Furthermore, to the extent that the Borrower has made the required payments to the Bank during any Bank Direct Payment Period, the Paying Agent shall have no obligations to make payments of the principal of or interest on the Bonds, to act as Registrar or to take any other action in respect thereof, except at the express written direction of the Bank or the Borrower.

The determination of the Variable Rate, the Short-Term Rate, the Index Rate, the Long-Term Rate, and the Fixed Rate by the Remarketing Agent or the Calculation Agent, as applicable, shall be conclusive and binding (absent manifest error) upon the Holders of the Bonds, the Borrower, the Trustee, each Liquidity Facility Provider and each Credit Facility Provider. The determination of the Applicable Spread by the Market Agent shall be conclusive and binding upon the Issuer, the Trustee, the Remarketing Agent and the Holders or Beneficial Owners of such Bonds.

Failure by the Trustee to give any notice required hereunder, or any defect therein, shall not affect the interest rate borne by any of the Bonds. The Issuer, the Borrower, the Trustee, the Remarketing Agent, the Calculation Agent, the Liquidity Facility Providers and the Credit Facility

Providers shall not be liable to any Holders for failure to give any such notice, or any defect therein, or for failure of any Holders to receive any such notice.

Section 2.02. Determination of Interest Rates on the Bonds; Conversions Between Index Rates, Variable Rates, Short-Term Rate Bonds, or Long-Term Rate Bonds.

(a) Determination of Interest Rates.

(1) All Bonds of each series shall operate in the same Interest Rate Mode.

(2) Interest on the Bonds shall not exceed the Maximum Rate.

(3) On the Issuance Date, the Bonds of each series shall be Index Rate Bonds and bear interest at the LIBOR Index Rate; provided that from the Issuance Date to but not including the first Business Day of the next succeeding month, the Series 2013A Bonds shall bear interest at the rate of _____% per annum and the Series 2013B Bonds shall bear interest at the rate of _____% per annum.

(4) Index Rate Bonds. The Index Rate shall be determined in accordance with Section 2.02(b). The Calculation Agent shall notify the Trustee and the Borrower of the Index Rate for each Index Rate Period in accordance with Section 2.02(b). All Index Rate Bonds of a particular series shall bear interest accruing at the same Index Rate.

(5) Variable Rate Bonds, Short-Term Rate Bonds or Long-Term Rate Bonds. Subject to the further provisions of this Section 2.02 with respect to particular Variable Rates, Short-Term Rates or Long-Term Rates or conversions between Variable Rates or to Short-Term Rates or Long-Term Rates, the interest rate on the Bonds of a series during any Variable Rate Period, Short-Term Interest Period or Long-Term Interest Period shall be determined by the Remarketing Agent as provided in this Section 2.02, and notice thereof shall be given as follows:

(A) The interest rate for the Variable Rate Period, Short-Term Interest Period or Long-Term Interest Period in question shall be determined by the Remarketing Agent on the date or dates and at the time or times required pursuant to Section 2.02(c), Section 2.02(d), Section 2.02(e), and Section 2.02(f) below, whichever is applicable. The interest rate to be determined for the Variable Rate Period, Short-Term Interest Period or Long-Term Interest Period shall be the lowest rate of interest that, in the reasonable judgment of the Remarketing Agent, would cause the Bonds in question to have a price equal to the principal amount thereof under prevailing market conditions for the relevant period as of the date of determination, except as otherwise provided in Section 2.02(f).

(B) Failure to Establish Certain Interest Rates. If the Remarketing Agent fails for any reason to determine the Variable Rate, Short-Term Rate or Long-Term

Rate for any Variable Rate Period, Short-Term Rate Period or Long-Term Rate Period, as applicable, when required hereunder, or a court holds that the Variable Rate, Short-Term Rate or Long-Term Rate for any Variable Rate Period, Short-Term Rate Period or Long-Term Rate Period, as applicable, is invalid, illegal or unenforceable and, in each case, so long as no Event of Default relating to any failure to make Required Liquidity Payments, when due, shall have occurred and be continuing, then the interest rate on the Bonds of a series shall be equal to the Maximum Rate until the interest rate on such Bonds is again validly determined by the Remarketing Agent.

(C) All Variable Rate Bonds shall bear interest accruing at the same Variable Rate, and all Long-Term Rate Bonds shall bear interest accruing at the same Long-Term Rate.

(6) Bank Bonds. Bank Bonds shall bear interest at the Bank Rate determined in accordance with the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond, as more fully set forth in Section 2.05 hereof.

(7) Unremarketed Bonds. Unremarketed Bonds shall bear interest at a per annum rate equal to the greater of (A) the Default Rate and (B) the interest rate that otherwise would be applicable to such Bonds had such Bonds continued to bear interest at the interest rate determined for the most recent Interest Rate Mode in effect prior to such Bonds becoming Unremarketed Bonds.

(b) Index Rate.

(1) Interest Period and Effective Period. The initial Index Rate Period shall commence on and be effective from the Issuance Date and shall continue through the end of the Initial Period.

(2) Determination Time.

(i) SIFMA Index Rate. During each SIFMA Index Rate Period, the Bonds of a series shall, subject to subsection (3) of this Section 2.02(b), bear interest at the SIFMA Index Rate. The Calculation Agent shall determine the SIFMA Index Rate on each Computation Date during the SIFMA Index Rate Period, and such rate shall become effective on the SIFMA Rate Reset Date next succeeding such Computation Date and interest at such rate shall accrue each day during such SIFMA Index Rate Period, commencing on and including the first day of such period to but excluding the last day of such period. The SIFMA Index Rate shall be rounded upward to the second decimal place. Promptly following the determination of the SIFMA Index Rate, the Calculation Agent shall give notice thereof to the Trustee. If the SIFMA Index Rate is not determined by the Calculation Agent on the Computation Date, the rate of interest born on such Index Rate Bonds shall be the rate in effect for the

immediately preceding Interest Payment Period until the Calculation Agent next determines the SIFMA Index Rate as required hereunder.

(ii) LIBOR Index Rate. During each LIBOR Index Rate Period, the Bonds of a series shall, subject to subsection (3) of this Section 2.02(b), bear interest at the LIBOR Index Rate. The Calculation Agent shall determine the LIBOR Index Rate on each Computation Date during the LIBOR Index Rate Period, and such rate shall become effective on the LIBOR Index Reset Date next succeeding the Computation Date and interest at such rate shall accrue each day during such LIBOR Index Rate Period, commencing on and including the first day of such period to but excluding the last day of such period. The LIBOR Index Rate shall be rounded upward to the third decimal place. Promptly following the determination of the LIBOR Index Rate, the Calculation Agent shall give notice thereof to the Trustee. If the LIBOR Index Rate is not determined by the Calculation Agent on the Computation Date, the rate of interest born on such Index Rate Bonds shall be the rate in effect for the immediately preceding Interest Payment Period until the Calculation Agent next determines the LIBOR Index Rate as required hereunder.

(3) Adjustments to Index Rates.

(i) Taxable Rate. From and after any Taxable Date, the interest rate on Bonds of a series in an Index Rate Period shall be established at a rate at all times equal to the Taxable Rate.

(ii) Default Rate. Notwithstanding the foregoing provisions of this Section 2.02 but subject to the interest rate limitations of Section 2.02(a), upon the occurrence and continuation of an Event of Default, from and after the effective date of such Event of Default, the interest rate for Bonds in an Index Rate Period and Unremarketed Bonds shall be established at a rate at all times equal to the greater of (A) the Default Rate and (B) the interest rate that otherwise would be applicable to the Bonds of a series but for the provisions of this paragraph, payable on demand to the Bank. Interest shall accrue and be paid on both defaulted interest and defaulted principal.

(iii) Excess Interest. Notwithstanding anything in this Indenture to the contrary, if during an Index Rate Period (or at any time the Bonds of a series constitute Unremarketed Bonds) the rate of interest on the Bonds of a series exceeds the Maximum Rate for such Bonds, then (i) such Bonds shall bear interest at the Maximum Rate and (ii) interest on such Bonds calculated at the rate equal to the difference between (A) the rate of interest for such Bonds as calculated pursuant to this Indenture and (B) the Maximum Rate (the "**Excess Interest**") shall be deferred until such date as the rate of interest borne by such Bonds as calculated pursuant to Section 2.02(b) hereunder is below the Maximum Rate, at which time Excess Interest shall be payable with respect to such Bonds. Payments of deferred Excess Interest

shall no longer be due and payable upon the earlier to occur of the date on which such Bonds are tendered for purchase in accordance with Section 3.10 hereof and are so paid or such Bonds are paid in full.

(c) Daily Rates.

(1) Interest Period. Whenever Bonds are to bear interest accruing at a Daily Rate, Daily Interest Periods shall commence on each Business Day and shall extend to, but not include, the next succeeding Business Day.

(2) Effective Period. The interest rate for each Daily Interest Period shall be effective from and including the commencement date thereof and shall remain in effect to, but not including, the next succeeding Business Day.

(3) Determination Time. Each Daily Rate shall be determined by the Remarketing Agent by 10:00 a.m., New York City time, on the commencement date of the Daily Interest Period to which it relates. Notice of each Daily Rate shall be given by the Remarketing Agent to the Trustee, the Tender Agent and the Borrower, with respect to the Bonds to which such Daily Rate is applicable by Electronic Notice no less frequently than once each week on a day preceding an Interest Payment Date. The Trustee shall inform the Holders of each Daily Rate determined by the Remarketing Agent upon request.

(d) Weekly Rates.

(1) Interest Period. Whenever the Bonds of a series are to bear interest accruing at a Weekly Rate, Weekly Interest Periods shall commence on Wednesday of each week and end on Tuesday of the following week; provided, however, that (A) in the case of a conversion to a Weekly Rate from another Interest Rate Mode, the initial Weekly Interest Period for such Bonds shall commence on the Weekly Rate Conversion Date and end on the next succeeding Tuesday and (B) in the case of a conversion from a Weekly Rate to a Daily Rate, Short-Term Rate, or Long-Term Rate, the last Weekly Interest Period prior to conversion shall end on the last day immediately preceding the applicable Conversion Date.

(2) Effective Period. The interest rate for each Weekly Interest Period shall be effective from and including the commencement date of such Weekly Interest Period and shall remain in effect through and including the last day thereof.

(3) Determination Time. Each Weekly Rate shall be determined by the Remarketing Agent by 10:00 a.m., New York City time, on the commencement date of the Weekly Interest Period to which it relates. Notice of each Weekly Rate shall be given by the Remarketing Agent to the Trustee, the Tender Agent, the Borrower, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, with respect to the Bonds to which such Weekly Rate is applicable by Electronic Notice not later than 10:30 a.m., New York

City time, on the date of determination. The Trustee shall inform the Holders of each Weekly Rate determined by the Remarketing Agent upon request.

(e) Short-Term Rates.

(1) Interest Period. Whenever Bonds of a series are to bear interest accruing at a Short-Term Rate, each Short-Term Interest Period shall be determined by the Remarketing Agent by 4:00 p.m. New York City time on the Business Day immediately preceding that Short-Term Interest Period in accordance with Section 2.02(a)(5)(A); provided that each Short-Term Rate Period (A) shall be from 1 to 364 days in length but, if a Liquidity Facility is in effect, shall not exceed the number of days of interest coverage provided by such Liquidity Facility minus five days, shall not extend beyond the date that is five days before the Stated Expiration Date of such Liquidity Facility and shall not exceed the number of days remaining prior to the Conversion Date if the Remarketing Agent has given or received notice of any conversion to a different Interest Payment Period, and (B) shall commence on a Business Day (except in the case of a conversion to a Short-Term Rate Period, the initial Short-Term Rate shall commence on the Conversion Date), and (C) shall end on a day preceding a Business Day or the day preceding the maturity date for such Bonds. The Remarketing Agent may, in the reasonable exercise of its judgment, determine one or more Short-Term Interest Periods that result in a Short-Term Rate or Short-Term Rates on Bonds that are higher than would be borne by such Bonds with a shorter Short-Term Interest Period in order to increase the likelihood of achieving the lowest net interest cost during the term of such Bonds by assuring the effectiveness of such Short-Term Rate for a longer Short-Term Interest Period. The determination of each Short-Term Interest Period by the Remarketing Agent shall be based upon the relative market yields of the Bonds of such series and other securities that bear interest at a variable rate or at fixed rates that, in the reasonable exercise of the judgment of the Remarketing Agent are otherwise comparable to such Bonds, or any fact or circumstance relating to such Bonds or affecting the market for such Bonds or affecting such other comparable securities in a manner that, in the reasonable exercise of the judgment of the Remarketing Agent, will affect the market for such Bonds. The Remarketing Agent, in its discretion, may consider such information and resources as it deems appropriate in making the determinations described in this paragraph, including consultations with the Borrower, but the Remarketing Agent's determination of the Short-Term Interest Periods will be based solely upon the reasonable exercise of such Remarketing Agent's judgment.

(2) Effective Period. The interest rate for each Short-Term Interest Period shall be effective from and including the commencement date of that interest period and shall remain in effect through and including the last day thereof.

(3) Short-Term Interest Periods. Short-Term Rate Bonds may bear interest for different Short-Term Interest Periods and at different Short-Term Rates; provided that all Short-Term Rate Bonds with the same Short-Term Interest Period shall bear interest

accruing at the same Short-Term Rate; and provided further that all Bonds of a series shall be Short-Term Rate Bonds if any of the Bonds of such series are Short-Term Rate Bonds.

(4) Determination Time. Each such interest rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Short-Term Interest Period to which it relates. Notice of each Short-Term Rate shall be given by the Remarketing Agent to the Trustee, the Tender Agent, the Borrower, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, with respect to the Bonds to which such Short-Term Rate is applicable by Electronic Notice not later than 5:00 p.m., New York City time, on the date of determination. The Trustee shall inform the Holders of each Short-Term Rate determined by the Remarketing Agent upon request.

(f) Long-Term Rates.

(1) Interest Period. Whenever Bonds of a series are to bear interest accruing at a Long-Term Rate, Long-Term Interest Periods shall commence on a Long-Term Rate Conversion Date or, thereafter, the effective date of a subsequent Long-Term Interest Period, and end on a day which is at least 12 months after such Long-Term Rate Conversion Date which is the day preceding (A) the effective date of a subsequent Long-Term Interest Period, (B) the Conversion Date on which a different Interest Payment Period shall become effective or (C) the maturity date for such Bonds; provided that if a Liquidity Facility or Credit Facility is in effect, each Long-Term Interest Period shall not extend to a date beyond the fifth day next preceding the Stated Expiration Date of such Liquidity Facility or Credit Facility. The term of each Long-Term Interest Period with respect to the Bonds of a series shall be specified in writing by the Borrower to the Remarketing Agent, the Trustee, the Tender Agent, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, at least 5 days prior to its commencement.

(2) Effective Period. The interest rate for each Long-Term Interest Period shall be effective from and including the commencement date of that Long-Term Interest Period and shall remain in effect through and including the last day thereof.

(3) Determination Time. Each Long-Term Rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Long-Term Interest Period to which it relates. Notice of each Long-Term Rate shall be given by the Remarketing Agent to the Trustee, the Tender Agent, the Borrower, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, to which such Long-Term Rate is applicable by Electronic Notice not later than 5:00 p.m., New York City time, on the date of determination. The Trustee shall inform the Holders of each Long-Term Rate determined by the Remarketing Agent upon request.

(4) Remarketing. The Long-Term Rate for each Long-Term Interest Period for the Bonds of a series shall be the rate of interest per annum borne by such Bonds which shall

be the lowest rate of interest that, in the judgment of the Remarketing Agent, would cause such Bonds to have a price equal to the principal amount thereof plus accrued interest, if any, under prevailing market conditions as of the date of determination. Notwithstanding the foregoing and the provisions of Section 3.14, the Long-Term Rate for a Long-Term Interest Period for such Bonds may be the rate of interest per annum determined by the Remarketing Agent to be the interest rate which, if borne by such Bonds, would enable the Remarketing Agent to sell such Bonds on the date and at the time of such determination at a price which will result in the lowest net interest cost for such Bonds, after taking into account any premium or discount at which such Bonds are sold by the Remarketing Agent, provided that in connection with selling such Bonds at a premium or discount:

(A) The Remarketing Agent certifies to the Borrower, the Trustee and the Tender Agent that the sale of such Bonds at the interest rate and premium or discount specified by the Remarketing Agent is expected to result in the lowest net interest cost for such Bonds on the commencement date of the Long-Term Interest Period;

(B) The Borrower consents in writing to the sale of such Bonds by the Remarketing Agent at such premium or discount;

(C) In the case of Bonds to be sold at a discount, either (a) a Liquidity Facility is in effect and provides for the purchase of such Bonds at such discount or (b) the Borrower agrees to transfer to the Tender Agent on the commencement date of such Long-Term Interest Period, in immediately available funds, for deposit in the Borrower Purchase Account, an amount equal to such discount;

(D) In the case of Bonds to be sold at a premium, the Remarketing Agent shall transfer to the Trustee for deposit in the Bond Fund an amount equal to such premium;

(E) On or before the date of the determination of the Long-Term Rate, the Borrower delivers to the Trustee and the Remarketing Agent a letter of Bond Counsel to the effect that Bond Counsel expects to be able to give an Opinion of Bond Counsel to the effect that such conversion of the interest rate will not, in and of itself, cause the interest on such Bonds to be includable in the gross income of Holders for federal income tax purposes, on or before the commencement date of the Long-Term Interest Period; and

(F) On or before the commencement date of the Long-Term Interest Period, the Internal Revenue Service has amended its published guidance relating to the reissuance of tax-exempt bonds to provide that remarketing of bonds in such an interest mode at a premium or discount will not result in a reissuance, or an Opinion of Bond Counsel to the effect that such determination of the interest rate will not, in and of itself, cause the interest on such Bonds to be includable in the gross income

of Holders for federal income tax purposes shall have been received by the Trustee and the Borrower and confirmed to the Remarketing Agent.

(g) Conversions. At the option of the Borrower, the interest rate with respect to all (but not less than all) Bonds of a series (other than Fixed Rate Bonds) may be (i) with the consent of the Bank, converted from an Index Rate to a new Index Rate or (ii) converted from any Interest Rate Mode to an Index Rate, Daily Rate, Weekly Rate, Short-Term Rate, or Long-Term Rate, as follows:

(1) Conversion Date. In any such case, the Conversion Date shall be the first day following the last day of an Interest Payment Period for the Interest Rate Mode from which such Bonds are to be converted; provided, however, that for Long-Term Rate Bonds, such conversion shall only occur on a date that such Long-Term Rate Bonds are subject to purchase pursuant to Section 3.10(a)(4). Interest shall accrue on such Bonds at the new interest rate commencing on such Conversion Date, whether or not a Business Day. Any action required to be taken on such Conversion Date, if such day is not a Business Day, may be taken on the next succeeding Business Day as if it had occurred on such Conversion Date.

(2) Notice of Intent to Convert. The Borrower shall give written notice of its intent to exercise its option to effect any such conversion to the Bank, during an Index Rate Period, the Remarketing Agent with respect to the affected Bonds, the Tender Agent, the Trustee, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, with respect to the affected Bonds by Electronic Notice not fewer than five days (or such shorter period as shall be acceptable to the applicable parties) prior to (A) the date on which the Trustee is required to provide notice to the Holders; provided, however, that during the Initial Period the Interest Rate Mode may not be changed to another Interest Rate Mode including, without limitation, a new Index Rate Period, without the prior written consent of the Bank, and is subject to any conditions set forth in the Agreement. Such notice shall specify the proposed Conversion Date (as well as the Bonds to which the conversion will be applicable). If the Borrower does not elect in a timely fashion to convert to a new Interest Rate Mode, the Interest Rate Mode then in effect shall continue until changed by timely notice.

In addition, if an Index Rate is to be in effect immediately following such Conversion Date, such notice shall state whether such Index Rate shall be a SIFMA Index Rate or a LIBOR Index Rate, the new Bank Purchase Date and the new Applicable Factor and the new Applicable Spread. The new Applicable Spread shall be determined by the Market Agent such that the applicable Index Rate shall be the interest rate per annum (based upon tax exempt obligations comparable, in the judgment of the Market Agent, to the applicable Bonds and known to the Market Agent to have been priced or traded under the prevailing market conditions) to be the minimum interest rate at which a Person will agree to purchase such Bonds on the Conversion Date at a price (without regard to accrued interest) equal to the principal amount thereof. In addition, if an Index Rate is to be in effect immediately following such Conversion Date, the Borrower shall provide a copy of such notice to the Calculation Agent contemporaneously with the Trustee.

(3) Notice of Conversion and Mandatory Tender. For Bonds of a series other than Short-Term Rate Bonds, Fixed Rate Bonds and Index Rate Bonds held by the Bank, not fewer than 15 days prior to the proposed Conversion Date, the Trustee shall give Electronic Notice, confirmed by first class mail, of the conversion and of mandatory tender of the Bonds of such series to the Holders of such Bonds at their addresses as they appear on the registration books of the Trustee as of the date notice of the election is received by the Trustee from the Borrower. The notice given pursuant to this paragraph shall set forth the information required by Section 3.10(d) hereof.

(4) Opinion of Bond Counsel. Any conversion pursuant to this Section shall be subject to the conditions that, on or before the Conversion Date, the Borrower shall have delivered to the Bank during an Index Rate Period, the Trustee, the Market Agent with respect to the affected Bonds, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, with respect to the affected Bonds, an Opinion of Bond Counsel to the effect that the conversion is authorized by this Indenture and will not, in and of itself, cause the interest on the Bonds of such series to be includable in the gross income of Holders for federal income tax purposes.

(5) Conditions to Conversion. Notwithstanding the Borrower's delivery of notice of the exercise of its option to effect a conversion pursuant to Section 2.02(g)(2), such conversion to the new Interest Rate Mode for a series of Bonds shall not take effect if:

(A) the Borrower withdraws such notice of the exercise of its option to effect conversion not later than the Business Day preceding the date on which the interest rate at the new Interest Rate Mode is to be determined;

(B) the Market Agent or the Remarketing Agent, as applicable, fails to determine, when required, the interest rate for the new Interest Rate Mode;

(C) the notice to Holders of Bonds required by Section 2.02(g)(3) is not given when required;

(D) the Borrower fails to deliver to the Trustee, the Bank, if applicable, the Market Agent, the applicable Liquidity Facility Provider and the applicable Credit Facility Provider the opinion referred to in Section 2.02(g)(4);

(E) sufficient funds are not available by Noon (New York City time) on the Conversion Date to purchase all of the Bonds required to be purchased on such Conversion Date; or

(F) a Securities Depository has not been appointed for the applicable series of Bonds if the new Interest Rate Mode for such series of Bonds is to be anything other than an Index Rate Period in order to permit such series of Bonds to be held under a Book-Entry System while in such new Interest Rate Mode.

In any of such events,

(i) the Conversion Date for such series of Bonds shall not occur, whether or not notice of the conversion has been given to the Holders,

(ii) unless an Event of Default relating to any failure to make Required Liquidity Payments when due shall occur and be continuing (in such case, the Bonds of such series will bear interest as provided in Section 3.11), the Bonds:

(a) bearing interest at an Index Rate shall continue to bear interest at an Index Rate determined as otherwise provided in Section 2.02;

(b) bearing interest at a Variable Rate shall continue to bear interest at a Variable Rate determined as otherwise provided in Section 2.02;

(c) bearing interest at a Short-Term Rate shall bear interest as determined in Section 3.11(c) until all of such Bonds have been remarketed; and

(e) bearing interest at a Long-Term Rate shall bear interest as determined in Section 3.11(c) until all of such Bonds have been remarketed; and

(iii) the mandatory tender of the Bonds on the Conversion Date pursuant to Section 3.10(a)(2) shall not occur, whether or not notice of the conversion has been given to the Holders. Notice of withdrawal of a conversion notice shall be given by the Borrower to the Trustee, the Bank, if applicable, the Remarketing Agent, the Tender Agent, the Calculation Agent, if any, the Liquidity Facility Provider, if any, and Credit Facility Provider, if any, by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Holders of the Bonds (other than Long-Term Rate Bonds or Short-Term Rate Bonds) by the Trustee by Electronic Notice, confirmed by first class mail. No cancellation of a conversion pursuant to this Section 2.02(g)(5) shall constitute an Event of Default hereunder.

Section 2.03. Fixed Rate Conversion at Option of the Borrower.

(a) At the option of the Borrower, all (but not less than all) Bonds of a series with interest payable at an Index Rate, Variable Rate, Short-Term Rate, or Long-Term Rate may be converted to bear interest accruing at a Fixed Rate to their maturity. Any such conversion shall be made as follows:

(b) The Fixed Rate Conversion Date shall be the first day following an Interest Payment Period for the Bonds of such series in the then-current Interest Rate Mode; provided, however, that for Long-Term Rate Bonds, such conversion shall only occur on a date that such Long-Term Rate Bonds are subject to purchase pursuant to Section 3.10(a)(4).

(c) The Borrower shall give written notice of its intent to exercise its option to effect any such conversion to (1) in all cases, the Trustee and each Rating Agency then maintaining a rating on the Bonds and (2) in the case of Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds, the Remarketing Agent, the Bank, if applicable, the Tender Agent, the Liquidity Facility Provider, if any, and Credit Facility Provider, if any, by Electronic Notice confirmed in writing not less than five days (or such shorter period as shall be acceptable to the applicable parties) prior to (A) the date on which the Trustee is required to notify the Holders of the conversion pursuant to Section 2.03(d) or (B) the Conversion Date (if the Bonds are Short-Term Rate Bonds or Long-Term Rate Bonds). Such notice shall specify the proposed Fixed Rate Conversion Date (as well as the series of the Bonds to which the conversion will be applicable). Additionally, such notice shall confirm the appointment, subject to and in accordance with the requirements of this Indenture (including Section 3.12 and Section 3.13) of a qualified Remarketing Agent to act as Remarketing Agent for the Bonds of such series in connection with the mandatory tender of such Bonds by reason of such conversion and the appointment, subject to and in accordance with this Indenture (including Section 3.07), of a qualified Tender Agent to act as Tender Agent in such connection; provided, however, that no such confirmation and no such appointments shall be required if such Bonds are then Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds, and the Market Agent, the Remarketing Agent and the Tender Agent then acting with respect to such Bonds are obligated to perform their duties and responsibilities with respect to the mandatory tender of such Bonds by reason of such conversion.

(d) For Bonds other than Short-Term Rate Bonds, Long-Term Rate Bonds or Index Rate Bonds, not fewer than 15 days prior to the proposed Fixed Rate Conversion Date, the Trustee shall give Electronic Notice, confirmed by first class mail, of the conversion and of mandatory tender of the Bonds to the Holders of such Bonds at their addresses as they appear on the registration books of the Trustee as of the date notice of the election is received by the Trustee from the Borrower. The notice shall set forth the information required by Section 3.10(d).

(e) No more than 35 days nor less than one day prior to the Fixed Rate Conversion Date, the Remarketing Agent shall determine the Fixed Rate with respect to the Bonds and make the Fixed Rate available to the Trustee. All Bonds of such series shall have the same maturity date and bear interest at the same Fixed Rate on and after the Fixed Rate Conversion Date. The Fixed Rate shall be the rate of interest per annum borne by such Bonds on and after such Fixed Rate Conversion Date and shall be the lowest rate of interest that, in the judgment of the Remarketing Agent, would cause such Bonds to have a price equal to the principal amount thereof plus accrued interest, if any, under prevailing market conditions as of the date of determination, except as otherwise provided in herein in Section 2.03(g)(G). Not later than 12:00 noon, New York City time, on the Business Day prior to the Conversion Date, the Remarketing Agent shall determine the Fixed Interest Rate for the Bonds to be converted. Such determination shall be conclusive and binding upon the Issuer, the Borrower, the Trustee, the Remarketing Agent and the Holders, in all instances, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, (in the case of conversion of Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds). No later than 4:00 p.m., New York City time, on the date of determination of the Fixed Rate, the Remarketing Agent shall communicate the Fixed Rate by Electronic Notice to the Trustee, the

Borrower, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, (in the case of conversion of Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds).

(f) Any conversion pursuant to this Section shall be subject to the conditions that, on or before the Fixed Rate Conversion Date, the Borrower shall have delivered to the Trustee, the Remarketing Agent, the Liquidity Facility Provider, if any, or the Credit Facility Provider, if any (in the case of conversion of Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds), an Opinion of Bond Counsel to the effect that the conversion is authorized by this Indenture and will not, in and of itself, cause interest on the Bonds of such series to be includable in the gross income of Holders of the Bonds of such series for federal income tax purposes.

(g) Notwithstanding the Borrower's delivery of notice of the exercise of its option to effect a Fixed Rate conversion pursuant to Section 2.03(c) above, such conversion to the Fixed Rate shall not take effect if:

(A) the Borrower withdraws such notice of conversion not later than 10:00 a.m. New York City time on the Business Day preceding the date on which the Fixed Rate is to be determined;

(B) the Remarketing Agent fails to determine the Fixed Rate;

(C) the notice to Holders required by Section 2.03(d) is not given when required;

(D) the Borrower fails to deliver to the Trustee, the Remarketing Agent, the Liquidity Facility Provider, if any, or the Credit Facility Provider, if any, (in the case of conversion of Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds) the opinion referred to in Section 2.03(e) above;

(E) sufficient funds are not available, by Noon (New York City time), on the Fixed Rate Conversion Date to purchase all the Bonds required to be purchased on the Fixed Rate Conversion Date, or

(F) a Securities Depository has not been appointed for the applicable series of Bonds in order to permit such series of Bonds to be held under a Book-Entry System on and after the Fixed Rate Conversion Date.

In any of such events,

(i) the Conversion Date with respect to a series of Bonds shall not occur, whether or not notice of the conversion has been given to the Holders,

(ii) unless an Event of Default relating to any failure to make Required Liquidity Payments when due shall occur and be continuing (in such case, the Bonds of such series will bear interest as provided in Section 3.11), the Bonds of such series:

(a) bearing interest at an Index Rate shall continue to bear interest at an Index Rate determined as otherwise provided in Section 2.02;

(b) bearing interest at a Variable Rate shall continue to bear interest at a Variable Rate determined as otherwise provided in Section 2.02;

(c) bearing interest at a Short-Term Rate shall bear interest as determined in Section 3.11(c) until all of such Bonds have been remarketed;

(d) bearing interest at a Long-Term Rate shall bear interest as determined in Section 3.11(c) until all of such Bonds have been remarketed; and

(G) the mandatory tender of the Bonds of such series on the Conversion Date pursuant to Section 3.10(a)(2) shall not occur, whether or not notice of the conversion has been given to the Holders of such Bonds. Notice of withdrawal of a conversion notice shall be given by the Borrower to the Trustee, the Bank, if applicable, the Remarketing Agent, the Tender Agent, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, (in the case of conversion of Variable Rate Bonds) by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Holders of such Bonds (other than Short-Term Rate Bonds or Long-Term Rate Bonds) by the Trustee by Electronic Notice, confirmed by first class mail. No cancellation of conversion to the Fixed Rate pursuant to this Section 2.03(g) shall constitute an Event of Default hereunder.

Notwithstanding the foregoing and the provisions of Section 3.12, the Fixed Rate for the Bonds of a series may be the rate of interest per annum determined by the Remarketing Agent to be the interest rate which, if borne by such Bonds, would enable the Remarketing Agent to sell such Bonds on the date and at the time of such determination at a price which will result in the lowest net interest cost for such Bonds, after taking into account any premium or discount at which such Bonds are sold by the Remarketing Agent, provided that in connection with selling such Bonds at a premium or discount:

(1) The Borrower consents in writing to the sale of such Bonds by the Remarketing Agent at such premium or discount;

(2) In the case of Bonds to be sold at a discount, either (A) a Liquidity Facility is in effect with respect to such Bonds and provides for the purchase of such Bonds at such discount or (B) the Borrower agrees to transfer to the Tender Agent on the commencement date of such Fixed Rate Period, in immediately available funds, for deposit in the Borrower Purchase Account, an amount equal to such discount;

(3) In the case of Bonds to be sold at a premium, the Remarketing Agent shall transfer to the Trustee for deposit in the Bond Fund an amount equal to such premium; and

(4) On or before the date of the determination of the Fixed Rate, the Borrower delivers to the Trustee and the Remarketing Agent a letter of Bond Counsel to the effect that Bond Counsel expects to be able to give an Opinion of Bond Counsel to the effect that such determination of the interest rate will not, in and of itself, cause the interest on the Bonds of the applicable series to be includable in the gross income of Holders for federal income tax purposes, on or before the commencement date of the Fixed Rate Period.

Section 2.04. Transfer of Bonds. Subject to the limitations set forth below with respect to Index Rate Bonds, any Bond may, in accordance with its terms, be transferred, upon the registration books required to be kept pursuant to the provisions herein, by the person in whose name it is registered, in person or by his attorney duly authorized in writing, upon surrender of such Bond for cancellation at the Corporate Trust Office of the Trustee, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. Except pursuant to and in accordance with Article III, transfer of a Bond shall not be permitted by the Trustee if the Trustee has received written notice from the Tender Agent that the Tender Agent has received notice from the Holder of such Bond that such Bond will be delivered to the Tender Agent for purchase on or before the next Interest Payment Date.

Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of any Authorized Denomination or Authorized Denominations of the same maturity and series and for a like aggregate principal amount. The Trustee shall require the Holder requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

In no event (other than pursuant to and in accordance with Article III) shall any Bond selected by the Trustee for redemption or with respect to which the Tender Agent has received notice from the Holder thereof that such Bond will be delivered for purchase on or before the next Interest Payment Date be transferred under this Section.

Index Rate Bonds may be transferred without limitation to any Affiliate of the Bank subject to the limitations, if any, set forth in the Agreement. Index Rate Bonds may be transferred to another purchaser (other than an Affiliate of the Bank) if (i) written notice of such transfer, together with addresses and related information with respect to such purchaser is delivered to the Trustee by such transferor and (ii) such purchaser shall have delivered to the Trustee and the transferor a Purchaser Letter in the form attached hereto as *Exhibit B* executed by a duly authorized officer of such purchaser; provided that each such purchaser (other than an Affiliate of the Bank) shall constitute a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any such case, having a

combined capital and surplus, determined as of the date of any transfer pursuant to this Section, of not less than \$5,000,000,000.

Notwithstanding the foregoing, if and when the Bonds are held under the Book-Entry System, transfers of beneficial ownership will be effected pursuant to rules and procedures established by the Securities Depository.

Section 2.05. Bank Bonds. Notwithstanding anything in this Indenture to the contrary, (a) each Bank Bond shall bear interest on the outstanding principal amount thereof at the Bank Rate applicable to such Bank Bond in accordance with the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond (as calculated by the Liquidity Provider with respect to such Liquidity Facility in accordance with such Liquidity Facility or such Liquidity Facility Agreement and advised by such Liquidity Provider to the Trustee) for each day from and including the day such Bank Bond becomes a Bank Bond to and excluding the day such Bank Bond ceases to be a Bank Bond (as hereinafter described) or is paid in full or is surrendered to the Trustee for cancellation, (b) interest on each Bank Bond shall be calculated on the basis of a 365 day year or a 360 day year, as applicable to the Bank Rate, in accordance with the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond and the actual number of days elapsed, and (c) interest on each Bank Bond shall be payable on such dates as are specified in the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond (each such date an "Interest Payment Date" for such Bank Bond). A Bank Bond shall cease to be a Bank Bond only (A) if such Bank Bond is remarketed and transferred or otherwise released by the Tender Agent upon authorization of the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bond, pursuant to and in accordance with Section 3.14(d) hereof, or (B) if such Bank Bond otherwise ceases to be a Bank Bond in accordance with the terms of the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond (it being acknowledged and agreed that it shall be presumed for all purposes of this Indenture that each Bank Bond shall cease to be a Bank Bond pursuant to this clause (B) only if the Borrower, the Remarketing Agent (with respect to the Bonds of which such Bank Bond is one), the Tender Agent and the Trustee have received written notice to that effect from the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bond). Subject to the effectiveness of a book-entry system with respect to the Bonds, payment of interest on Bank Bonds due on any Interest Payment Date therefor shall be made by the Trustee by wire transfer of immediately available funds to the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bond, in accordance with the payment instructions for such Liquidity Provider set forth in such Liquidity Facility or the related Liquidity Facility Agreement or in accordance with such other payment instructions as shall be furnished to the Trustee by such Liquidity Provider for such purpose. If all Bonds are Bank Bonds, then payments of interest on Bank Bonds with respect to which a book-entry system is in effect, for the purposes of such book-entry system, shall be in the amounts determined on the terms of the Bank Rate applicable to the respective Bank Bonds and on the Interest Payment Dates with respect thereto, without supplement as provided in the next succeeding paragraphs of this Section.

If (while a Book-Entry System is in effect with respect to the Bonds) an Interest Payment Date for any Bank Bonds occurs on a date which would not be an Interest Payment Date for such

Bank Bonds if such Bank Bonds were not Bank Bonds (e.g., the date of remarketing of such Bank Bonds), then, except if all Bonds of such series are Bank Bonds, the Borrower shall pay to the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bonds, or the Borrower shall instruct the Trustee to withdraw from the Bond Fund and pay to such Liquidity Provider (in either case, by wire transfer as provided above), the full amount of the interest due on such Bank Bonds on such Interest Payment Date, calculated at the Bank Rate with respect to such Bank Bonds and on the basis of a 365 day year or a 360 day year, as applicable to such Bank Rate in accordance with the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bonds, and the actual number of days elapsed.

If (while a Book-Entry System is in effect with respect to the Bonds) any Bonds shall be Bank Bonds on an Interest Payment Date for the Bonds, then, except if all Bonds are Bank Bonds, the Borrower shall pay to the Liquidity Provider with respect to the Liquidity Facility relating to such Bank Bonds, or the Borrower shall instruct the Trustee to withdraw from the Bond Fund and pay to such Liquidity Provider (in either case, by wire transfer as provided above), the amount of the difference between (a) interest due on such Bank Bonds on such Interest Payment Date, calculated at the Bank Rate with respect to such Bank Bonds and on the basis of a 365 day year or a 360 day year, as applicable to such Bank Rate in accordance with the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bonds and the actual number of days elapsed, and (b) interest that would be due on such Bank Bonds on such Interest Payment Date if such Bank Bonds were not Bank Bonds.

Section 2.06. Unremarketed Bonds. Notwithstanding anything in this Indenture to the contrary, (a) each Unremarketed Bond shall bear interest on the outstanding principal amount thereof at the rate determined in accordance with Section 2.02(a)(7) hereof for each day from and including the day such Bond becomes an Unremarketed Bond to and excluding the day such Bond ceases to be an Unremarketed Bond or is paid in full, (b) interest on each Unremarketed Bond shall be calculated on the basis of a 360 day year and the actual number of days elapsed, and (c) interest on each Unremarketed Bond shall be payable on the day such Bond ceases to be an Unremarketed Bond. A Bond shall cease to be an Unremarketed Bond only if such Unremarketed Bond is remarketed and transferred or such Unremarketed Bond is redeemed in full.

Section 2.07. Certain Exceptions. Notwithstanding the effectiveness of a Book-Entry System with respect to the Bonds, and notwithstanding anything in this Indenture to the contrary, the Trustee and the Tender Agent shall (a) perform such duties and responsibilities with respect to the payment and transfer of Bank Bonds as are specifically provided for in this Indenture, (b) furnish to the Liquidity Facility Provider and Credit Facility Provider a copy of each notice or other communication provided or required to be provided to Holders of the Bonds (or the Securities Depository) pursuant to this Indenture, (c) cause Bank Bonds to be redeemed prior to the redemption of other Bonds, and (d) ensure that amounts paid by each Liquidity Facility Provider under each Liquidity Facility and the Credit Facility Provider under each Credit Facility are applied in accordance with the provisions of this Indenture.

Section 2.08. Tender and Payment Procedures. Notwithstanding anything in this Indenture to the contrary (other than anything contained herein relating to Bank Bonds and the Liquidity Facility Providers), if and when a Book-Entry System shall be in effect with respect to the Bonds, (i) all tenders and deliveries of Bonds, as well as payment of the Purchase Price of tendered and/or deemed tendered Bonds, under the provisions of this Indenture shall be made pursuant to the delivery order or other applicable procedures of the Securities Depository as in effect from time to time, and (ii) all references in this Indenture to "Holder" and to "Bonds" in the context of tenders and rights and obligations to tender, remarket and/or purchase (including, without limitation, in Sections 3.08, 3.09, 3.10, 3.11, 3.13 and 3.15 hereof) shall be deemed to be references to "holders of beneficial interests in bonds" and to "beneficial interests in Bonds," respectively, and are hereinafter referred to in this Section as "Beneficial Owners."

For Bonds registered in the name of Cede & Co., as nominee for DTC, the tender option rights of Beneficial Owners of Bonds may be exercised only by a Direct Participant of DTC acting, directly or indirectly, on behalf of a Beneficial Owner of Bonds by giving notice of its election to tender Bonds or portions thereof at the times and in the manner described above. Beneficial Owners will not have any rights to tender Bonds directly to the Tender Agent. Procedures under which a Beneficial Owner may direct a Direct Participant or DTC, or an Indirect Participant of DTC acting through a Direct Participant of DTC, to exercise a tender option right in respect of Bonds or portions thereof in an amount equal to all or a portion of such Beneficial Owner's beneficial ownership interest therein shall be governed by standing instructions and customary practices determined by such Direct Participant or Indirect Participant. For Bonds registered in the name of Cede & Co., as nominee for DTC, delivery of Bonds required to be tendered for purchase shall be effected by the transfer by a Direct Participant on the applicable Purchase Date of a book-entry credit to the account of the Tender Agent of a beneficial interest in such Bonds.

(a) Notwithstanding anything expressed or implied in the Indenture to the contrary, so long as the Book-Entry System for the Bonds is maintained:

(1) There shall be no requirement of physical delivery to or by the Trustee or the Remarketing Agent of:

(A) Any Bonds subject to mandatory or optional purchase as a condition to the payment of the Purchase Price therefor;

(B) Any Bonds that have become Bank Bonds; or

(C) Any remarketing proceeds of such Bonds or Bank Bonds; and

(2) Except as expressly provided in the Indenture with respect to Bonds in the Book-Entry System, the Tender Agent shall not have any responsibility for paying the Purchase Price of any tendered Bond or for remitting remarketing proceeds to any person.

Section 2.09. Calculation Agent.

(a) During the Initial Period, the Calculation Agent shall be the Bank, and thereafter shall be the Trustee, or such other person as the Issuer may appoint meeting the requirements of Section 2.09(b). The Issuer shall appoint any successor Calculation Agent for the Bonds, subject to the conditions set forth in Section 2.09(b). Any Calculation Agent which is not also the Bank or the Trustee shall designate its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower and the Trustee in which the Calculation Agent will agree to perform all calculations and provide all notices required of the Calculation Agent under this Indenture.

(b) The Calculation Agent shall be a corporation duly organized under the laws of the United States of America or any state or territory thereof and shall be authorized by law to perform all the duties imposed upon it by this Indenture. The Calculation Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Borrower, the Trustee, the Tender Agent, the Remarketing Agent, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any. Upon receipt of such notice, during any Interest Rate Mode in which the services of a Calculation Agent are required under this Indenture, the Issuer will diligently seek to appoint a successor Calculation Agent to assume the duties of the Calculation Agent on the effective date of the prior Calculation Agent's resignation with the prior consent of the Bank. In the event that the Issuer shall fail to appoint a successor Calculation Agent in a timely manner when required under this Indenture, the Trustee shall either (i) appoint a Calculation Agent to act as such, or (ii) petition any court of competent jurisdiction for the appointment of a successor Calculation Agent, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Calculation Agent; provided however, that during the pendency of any such petition the Trustee shall itself act as Calculation Agent, service in any such case shall commence on the effective date of the resignation of the prior Calculation Agent and to remain in effect until a successor Calculation Agent assumes such position in accordance with the provisions hereof. The Calculation Agent may be removed at any time by written notice from the Issuer to the Trustee, the Tender Agent, the Bank, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, and the Remarketing Agent, provided that such removal shall occur only upon written request of the Borrower and shall not be effective until a successor Calculation Agent assumes such position in accordance with the provisions hereof.

(c) The Trustee shall, within 30 days of the resignation or removal of the Calculation Agent or the appointment of a successor Calculation Agent, give notice thereof by Electronic Notice, confirmed by first class mail, to the registered owners of the Bonds.

(d) Promptly after determining any interest rate required to be determined by the Calculation Agent under this Indenture, the Calculation Agent shall provide Electronic Notice to the Trustee, the Bank, if applicable, the Tender Agent, the Remarketing Agent and any requesting Holder.

Section 2.10. Issuance of the Bonds. At any time after the execution and delivery of this Indenture, upon the execution of the Bonds by the Issuer and delivery thereof to the Trustee, as hereinabove provided, and without any further action on the part of the Issuer, the Trustee shall

authenticate upon request of the Issuer, and deliver (i) the Series 2013A Bonds in an aggregate principal amount equal to **\$21,900,000**, and (ii) the Series 2013B Bonds in an aggregate principal amount of **\$18,000,000**.

The Bonds shall be executed in the name and on behalf of the Issuer with the manual or facsimile signature of its President or Vice President, attested by the manual or facsimile signature of its Secretary or an Assistant Secretary, with the official seal of the Issuer or a facsimile thereof impressed or imprinted thereon. All authorized facsimile signatures shall have the same force and effect as if manually signed. The Bonds shall then be delivered to the Trustee for authentication by it. In case any of the officers who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the Issuer before the Bonds so signed or attested shall have been authenticated or delivered by the Trustee, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Issuer as though those who signed and attested the same had continued to be such officers of the Issuer, and also any Bonds may be signed and attested on behalf of the Issuer by such persons as at the actual date of execution of such Bonds shall be the proper officers of the Issuer although at the nominal date of such Bonds any such person shall not have been such officer of the Issuer.

The Trustee shall authenticate the Bonds upon the written direction of the Issuer to so authenticate. No Bond shall be valid for any purpose until either (i) the Certificate of Authentication substantially in the form set forth in *Exhibit A* attached hereto has been executed in accordance herewith by the Trustee or (ii) in the case of Bonds initially delivered to the Bank, a Comptroller's Registration Certificate attached to or endorsed on such Bond has been duly executed. Such executed Certificate of Authentication or Comptroller's Registration Certificate, as the case may be, shall be conclusive proof that such Bond has been duly authenticated and delivered under this Indenture and that the owner thereof is entitled to the benefit of the trust hereby created.

Section 2.11. Application of Proceeds of Bonds. The proceeds received by the Issuer from the sale of the Bonds, together with \$_____ contributed by the Borrower, shall be deposited with the Trustee on the date of initial delivery of the Bonds. Immediately upon receipt of such funds, the Trustee shall deposit \$_____ of funds contributed by the Borrower into the Costs of Issuance Fund, which Costs of Issuance Fund the Trustee shall establish and maintain as further provided in Section 2.12 hereof. In addition, the Trustee (who also serves as the "Trustee" for the Series 2005 Bonds and the Series 2007 Bonds being refunded with proceeds of the Bonds) shall transfer and apply (i) all proceeds of the Series 2013A Bonds and \$_____ of the funds contributed by the Borrower (which amount is equal to accrued interest payable on the date of redemption of the Series 2005 Bonds) to defease and discharge all outstanding Series 2005 Bonds in the manner required under Article X of the 2005 Indenture, and (ii) all proceeds of the Series 2013B Bonds and \$_____ of the funds contributed by the Borrower (which amount is equal to accrued interest payable on the date of redemption of the Series 2007 Bonds) to defease and discharge all outstanding Series 2007 Bonds in the manner required under Article X of the 2007 Indenture.

Section 2.12. Costs of Issuance Fund. The Trustee does hereby establish the Costs of Issuance Fund (the "*Costs of Issuance Fund*"). The moneys in the Costs of Issuance Fund shall be held by the Trustee in trust and applied to the payment of Costs of Issuance of the Bonds, upon a requisition filed with the Trustee, in the form attached hereto as *Exhibit C*, signed by an Authorized Representative of the Borrower. Any money remaining in the Costs of Issuance Fund two months following the Issuance Date shall be refunded to the Borrower.

Section 2.13. Validity of Bonds. The validity of the authorization and issuance of the Bonds is not dependent on and shall not be affected in any way by any proceedings taken by the Issuer or the Trustee with respect to or in connection with the Agreement. The recital contained in the Bonds that the same are issued pursuant to the Act and the Constitution and laws of the State shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

Section 2.14. Book-Entry Only System. The Bonds initially authenticated and delivered hereunder will bear interest at an Index Rate, will be registered and delivered to U.S. Bank National Association, and will not be held in a Book-Entry System. In the event the Interest Rate Mode for a series of Bonds is to be converted to an Interest Rate Mode other than an Index Rate Period, the Issuer and the Trustee shall enter into a Supplemental Indenture, as permitted under Section 9.01(B)(5) hereof, to provide for the appointment of a Securities Depository to serve while such Bonds are to be held in a Book-Entry System.

Section 2.15. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.17 hereof, by the Person in whose name it is registered, in person or by its duly authorized attorney, upon surrender of such registered Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee. Transfer of any Bond shall not be permitted by the Trustee after the Record Date prior to the next succeeding Interest Payment Date or after notice calling such Bond (or portion thereof) for redemption has been given and prior to such redemption, except that (1) in the case of any Bond to be redeemed in part, the portion thereof not to be redeemed may be transferred and (2) transfers are permitted in connection with a tender of Bonds pursuant to Section 3.08 or 3.10 hereof. In connection with any transfer pursuant to a tender of Bonds under Section 3.08 or 3.10 hereof, the Trustee shall deliver to the transferee a copy of the applicable notice of redemption.

Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds for a like aggregate principal amount in Authorized Denominations. The Trustee shall require the Bondholder requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. The costs of printing Bonds and any services rendered or expenses incurred by the Issuer or the Trustee in connection with such transfer shall be paid by the Borrower.

Section 2.16. Exchange of Bonds. Bonds may be exchanged at the Corporate Trust Office of the Trustee, for a like aggregate principal amount of Bonds of other Authorized Denominations. The Trustee shall require the Bondholder requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The costs of printing Bonds and any services rendered or expenses incurred by the Issuer or the Trustee in connection with such exchange shall be paid by the Borrower.

Section 2.17. Bond Register. The Bond Registrar will keep or cause to be kept at its Corporate Trust Office sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection during regular business hours by the Issuer and the Borrower; and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, Bonds as hereinbefore provided.

Section 2.18. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Issuer, at the expense of the Holder of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like series and tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and upon request delivered to the Issuer. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the Issuer, at the expense of the Holder, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof). The Issuer may require payment by the Holder of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the Issuer and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Issuer whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

END OF ARTICLE II

ARTICLE III

REDEMPTION AND PURCHASE OF BONDS

Section 3.01. Terms of Redemption. The Bonds of each series are subject to redemption if and to the extent the Borrower is entitled to make, or is required to make, a prepayment pursuant to Article VIII of the Loan Agreement. All such prepayments shall be deposited in the Redemption Account, which Redemption Account the Trustee shall establish and maintain with the Bond Fund as further provided in Section 4.01 hereof. The Issuer shall not call the Bonds for optional redemption, and the Trustee shall not give notice of any such redemption, unless the Borrower has so directed. The Bonds shall be subject to redemption upon the terms set forth below.

(a) Subject to any limitations set forth in the Agreement, during any Index Rate Period, the Bonds of each series are subject to redemption on any Interest Payment Date upon request of the Borrower and at the direction of the Issuer, in whole or in part in such amounts as are requested by the Borrower and designated by the Issuer at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(b) The Variable Rate Bonds are subject to redemption prior to their respective stated maturities by the Issuer, upon request of the Borrower, from any funds deposited for such purpose in the Bond Fund, on any Business Day, in whole or in part in such amounts as are requested by the Borrower and designated by the Issuer at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(c) The Short-Term Rate Bonds are subject to redemption prior to their respective stated maturities, by the Issuer, upon request of the Borrower, from any funds deposited for such purpose in the Bond Fund, on any Interest Payment Date for such Short-Term Rate Bonds, in whole or in part in such amounts as requested by the Borrower and designated by the Issuer at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(d) Long-Term Rate Bonds are subject to redemption by the Issuer, upon request of the Borrower, on any Purchase Date therefor, and Long-Term Rate Bonds and Fixed Rate Bonds are subject to redemption by the Issuer, upon request of the Borrower, on any date after expiration of the applicable call protection period described below, as a whole or in part in such amounts and in such maturities as are requested by the Borrower and designated by the Issuer (or if the Issuer fails to designate such maturities, in inverse order of maturity) and in any manner which the Trustee shall deem appropriate and fair within a maturity, at a Redemption Price equal to the principal amount of Bonds called for redemption, plus accrued interest, if any, to the date fixed for redemption, without premium.

Length of Long-Term Rate Period or Years Remaining to Maturity as of Fixed Rate Conversion Date	Initial Redemption Dates (Anniversary of Fixed Rate Conversion Date or Long-Term Conversion Date)
Equal to or less than 10 years	Not subject to optional redemption
Greater than 10 years	10th anniversary

The foregoing notwithstanding, if the Borrower delivers to the Trustee and the Remarketing Agent prior to any Conversion Date or Purchase Date (for Bonds remaining Long-Term Rate Bonds for an additional Long-Term Interest Rate Period) (1) a notice containing alternative call protection periods and/or Redemption Prices for Long-Term Rate Bonds or Fixed Rate Bonds and (2) an Opinion of Bond Counsel addressed to the Trustee and the Remarketing Agent to the effect that the modifications to the call protection periods and/or Redemption Prices will not, in and of themselves, cause the interest on such Bonds to be includable in the gross income of Holders for purposes of federal income taxation, then the Bonds shall be subject to redemption by the Issuer, at the request of the Borrower, pursuant to the call protection periods and at the Redemption Prices, if any, set forth in that notice, and this Section 3.01(d) shall be deemed to be modified as set forth in such notice.

(e) Bank Bonds of the applicable series are subject to optional redemption under and in accordance with Sections 3.01(b), 3.01(c), and 3.01(d); and in such connection, and notwithstanding anything to the contrary in this Indenture, Bank Bonds of each series shall be selected for redemption pursuant to such Sections of this Indenture prior to the selection of other Bonds for redemption pursuant to such Sections of this Indenture.

(f) Bank Bonds of the applicable series are subject to special mandatory redemption by the Issuer, at the request of the Borrower, in whole or in part, on any date, at a Redemption Price equal to the principal amount of the Bank Bonds to be redeemed, plus accrued and unpaid interest thereon (at the Bank Rate with respect to the Bank Bonds being redeemed) to the date of redemption on the dates, in the amounts and in the manner set forth in the Liquidity Facility or the related Liquidity Facility Agreement.

(g) At any time a Credit Facility is in place in support of the Bonds of a series, such Bonds shall not be optionally redeemed pursuant to Section 3.01(a) hereof unless the Borrower has obtained the prior written consent of the related Credit Facility Provider or has deposited with the Trustee monies sufficient to redeem such Bonds at least one Business Day prior to such redemption. So long as a Credit Facility is in effect, the Redemption Price of the Bonds optionally redeemed pursuant to Section 3.01(a) hereof shall be paid from the proceeds of a draw made under such Credit Facility; provided, however, in the event that the Credit Facility Provider fails to honor such drawing, the Borrower shall provide to the Trustee for deposit in the Bond Fund sufficient funds to optionally redeem the Bonds on the date fixed for redemption.

(h) Unremarketed Bonds, upon the occurrence of an "Event of Default" under the Agreement, are subject to special mandatory redemption by the Issuer, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon (at the rate determined in accordance with Section 2.02(a)(7) hereof) to but not including the date of such redemption, on the dates and in the manner set forth in the Agreement.

Section 3.02. Selection of Bonds for Redemption. Whenever provision is made in this Indenture for the redemption of less than all of the Bonds of any maturity, the Trustee, as directed by the Borrower, shall select the Bonds to be redeemed from all Bonds in such manner as may be designated by the Borrower or, if the Borrower shall have failed to so designate, in any manner which the Trustee in its sole discretion shall deem appropriate and fair, provided, that, with respect to Index Rate Bonds or Long-Term Rate Bonds of the Bonds selected for redemption, the Bonds shall be redeemed in the following order of priority (and in any manner which the Trustee shall deem appropriate and fair within each priority other than the last priority):

- First: any Bonds which are Bank Bonds;
- Second: any Bonds which have been tendered to the Tender Agent for purchase on or prior to the date fixed for redemption; and
- Third: any other Bonds.

The Trustee shall promptly notify the Borrower in writing of the Bonds or portions thereof so selected for redemption.

Section 3.03. Notice of Redemption. Each notice of redemption shall state (a) the series and the maturities of the Bonds or portions thereof which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Trustee, (d) the Redemption Price, (e) the CUSIP numbers assigned to the Bonds to be redeemed, (f) in case of any Bonds to be redeemed in part only, the amount of such Bonds to be redeemed, (g) the original dated date, interest rate (in the case of Fixed Rate Bonds), and stated maturity date of each Bond to be redeemed and (h) if funds shall not be irrevocably deposited with the Trustee to pay the Redemption Price of the Bonds to be redeemed plus interest accrued thereon (if any) to the date fixed for redemption on or prior to the date that the redemption notice is first given as aforesaid, such notice shall state that any redemption is conditional on such funds being deposited with the Trustee on the redemption date and that a failure to make such deposit shall not constitute an Event of Default hereunder. Each such notice shall also (1) state that if, on the date fixed for redemption, the Trustee holds sufficient moneys therefor, then, on the date of redemption, the Redemption Price of the Bonds to be redeemed, plus interest accrued thereon (if any) to the date fixed for redemption, shall become due and payable and that from and after said date, interest on such Bonds shall cease to accrue and be payable, and (2) require that on said date such Bonds shall be surrendered.

The Trustee shall take the following actions with respect to such notice of redemption:

(A) At least 30 but not more than 60 days prior to the redemption date, such notice shall be given to the respective Holders of Bonds designated for redemption by Electronic Notice, confirmed by first class mail, postage prepaid, at their addresses appearing on the registration books maintained by the Trustee as of the close of business on the day before such notice is given; provided that failure of the Trustee to give such notice to any Holder of Bonds or any defect in such notice shall not affect the validity of the redemption of any other Bonds; and provided further, however, that if the Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds are Bank Bonds, notice of redemption of such Bank Bonds shall be given not less than one (1) Business Day prior to the redemption date therefor, and such notice may be given telephonically or by Electronic Notice. Notwithstanding anything to the contrary contained herein, in the event all of the Bonds to be redeemed are held in book-entry form by the Nominee, the notice shall be made by Electronic Notice and the notice period required pursuant to this Section 3.03(A) may be less than 30 days prior to the redemption date, as applicable, provided such notice period complies with the operational guidelines of the then current Securities Depository in effect 60 days prior to the date of the scheduled redemption.

(B) A second notice of redemption shall be delivered no more than 60 days after the redemption date, by the same means as the first notice, to any Holder of Bonds who has not turned Bonds in for redemption within 20 days after the redemption date, provided that failure of the Trustee to give such notice to a Holder of Bonds or any defect in such notice shall not affect the validity of the redemption of such Bonds.

(C) The Trustee, if requested by the Borrower, shall also give notice of redemption by Electronic Notice to any securities depositories and/or securities information services as shall be designated in a Certificate of the Issuer.

The Issuer may instruct the Trustee to provide conditional notice of redemption, which may be conditioned upon the receipt of moneys or any other event. The Trustee shall rescind any redemption as soon as practicable by notice of rescission if directed to do so by the Issuer prior to the date of redemption. The Trustee shall give notice of rescission by the same means as is provided for the giving of a notice of redemption. The redemption shall be deemed canceled once the Trustee has given notice of rescission. Neither the rescission nor the failure of funds being made available in part or in whole on or before a redemption date shall constitute an Event of Default.

Notice of redemption of Bonds shall be given by the Trustee, at the expense of the Borrower.

Section 3.04. Partial Redemption of Bonds. Upon surrender of any Bond redeemed in part only, the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder thereof, at the expense of the Borrower, a new Bond or Bonds, of Authorized Denominations and of the same

series and maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

Section 3.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys (which moneys shall be Available Moneys while a Credit Facility is in effect) for payment of the Redemption Price of, together with interest accrued thereon, if any, to the redemption date on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice together with interest accrued thereon, if any, to the redemption date, interest on the Bonds (or portions thereof) so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Holders of said Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest, if any.

All Bonds redeemed pursuant to the provisions of this Article, if any, shall be canceled upon surrender thereof in accordance with the Trustee's customary procedures.

The Trustee shall notify the Liquidity Facility Provider with respect to the Liquidity Facility and the Credit Facility Provider with respect to the Credit Facility relating to the Bonds (other than Bank Bonds) that are redeemed pursuant to this Article III on a given redemption date occurring prior to the Expiration Date of such Liquidity Facility or Credit Facility promptly after such redemption date and shall submit to such Liquidity Facility Provider or Credit Facility Provider such documents, if any, as are required in accordance with the terms of such Liquidity Facility or Credit Facility to cause the amounts available under such Liquidity Facility or Credit Facility to be reduced in respect of such Bonds so redeemed.

Section 3.06. The Tender Agent. U.S. Bank National Association, is hereby appointed by the Issuer as Tender Agent for the Bonds. The Tender Agent shall designate its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder with respect to the Bonds by a written instrument of acceptance delivered to the Issuer, the Borrower, the Trustee and the Liquidity Facility Provider with respect to the Liquidity Facility relating to such Bonds under which the Tender Agent will agree, particularly:

(a) To hold all Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, and Long-Term Rate Bonds of the Bonds delivered to it for purchase hereunder as agent and bailee of, and in escrow for the benefit of, the respective Holders which shall have so delivered such Bonds until moneys representing the Purchase Price of such Bonds shall have been delivered to or for the account of or to the order of such Holders;

(b) To hold all moneys, other than proceeds of drawings under such Liquidity Facility, delivered to it hereunder for the purchase of Bonds as agent and bailee of, and in escrow for the exclusive benefit of, the person or entity which shall have so delivered such moneys until the Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity;

(c) To hold all moneys delivered to it hereunder from drawings under such Liquidity Facility for the purchase of Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, and Long-Term Rate Bonds as agent and bailee of, and in escrow for the exclusive benefit of, the Holders who shall deliver Bonds to it for purchase until the Bonds purchased with such moneys shall have been delivered to or for the account of such Liquidity Facility Provider;

(d) To keep such books and records as shall be consistent with prudent industry practice and, upon reasonable advance notice, to make such books and records available for inspection by the Issuer, the Borrower, the Trustee, the Bank, if applicable, the Remarketing Agent or such Liquidity Facility Provider; and

(e) To perform the foregoing duties and obligations subject to and in accordance with the provisions of this Indenture relating thereto and to perform such other duties and responsibilities (including, without limitation, with respect to the Purchase Fund pertaining to the Bonds and Bank Bonds) as are provided in this Indenture to be performed by the Tender Agent.

The Tender Agent in performing its duties as set forth herein shall have the rights and immunities including, but not limited to, exculpations and indemnifications, of the Trustee as set forth in this Indenture to the same extent and as fully for all intents and purposes as though such rights and immunities had been set forth at length with respect to the Tender Agent.

Section 3.07. Qualifications of Tender Agent.

(a) The Tender Agent shall be duly organized under the laws of the United States of America or any state or territory thereof and be (1) a commercial bank and trust company or (2) a national banking association, have a combined capital stock, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000) and be authorized by law to perform all duties imposed upon it by this Indenture. At all times at which the Bonds are not in the Book-Entry System, the Tender Agent shall have an office or agency in New York, New York. The Tender Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Borrower, the Trustee, the Bank, if applicable, each Liquidity Facility Provider and each Remarketing Agent, provided that such resignation shall not take effect until the appointment and acceptance of a successor Tender Agent. The Tender Agent may be removed at any time by the Issuer, at the request of the Borrower, upon written notice to the Tender Agent, the Trustee, the Bank, if applicable, each Liquidity Facility Provider and each Remarketing Agent, provided that such removal shall not take effect until the appointment of, and the acceptance of appointment by, a successor Tender Agent. Successor Tender Agents may be appointed from time to time by the Issuer, at the request of the Borrower, and with the written approval of each Liquidity Facility Provider, such approval is not to be unreasonably withheld.

(b) If no successor Tender Agent shall have been appointed and have accepted appointment within 30 days of the giving notice of resignation or notice of removal as aforesaid, the Issuer may appoint, at the request of the Borrower and with the prior written approval of each Liquidity Facility Provider (such approval not to be unreasonably withheld), a successor Tender

Agent to act until a successor Tender Agent is appointed pursuant to the foregoing provisions of this Section.

(c) If no appointment of a successor Tender Agent shall have been made pursuant to the foregoing provisions of this Section, the Tender Agent resigning or being removed or any Holder (on behalf of himself and all other Holders) may petition any court of competent jurisdiction for the appointment of a successor Tender Agent, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Tender Agent.

(d) Any successor Tender Agent appointed under this Indenture shall signify its acceptance of such appointment by executing and delivering to the Issuer, the Borrower, the Trustee, the Bank, if applicable, each Liquidity Facility Provider, each Remarketing Agent and to its predecessor Tender Agent a written acceptance thereof, and thereupon (i) such successor Tender Agent, without further act, deed or conveyance, shall become vested with all the monies, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Tender Agent, with like effect as if originally named Tender Agent herein, and (ii) the Tender Agent shall pay over, transfer, assign and deliver to the successor Tender Agent all the right, title and interest of the Tender Agent in and to all money and all other property (including, without limitation, Bank Bonds) held by the Tender Agent subject to and in accordance with this Indenture; but nevertheless at the request of the Issuer, the Borrower, the successor Tender Agent, any Remarketing Agent or any Liquidity Facility Provider, such predecessor Tender Agent shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Tender Agent all the right, title and interest of such predecessor Tender Agent in and to all money and all other property (including, without limitation, Bank Bonds) held by it under this Indenture. Upon request of the successor Tender Agent, the Issuer shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Tender Agent all money, estates, properties, rights, powers, trusts, duties and obligations of the predecessor Tender Agent. Upon acceptance by a successor Tender Agent as provided in this subsection, the Issuer, at the expense of the Borrower, shall give notice of the succession of such Tender Agent by Electronic Notice, confirmed by first class mail, to the Holders at the addresses shown on the registration books maintained by the Trustee. If the Issuer fails to deliver such notice within 15 days after the acceptance of appointment by the successor Tender Agent, the Trustee shall cause such notice to be delivered to such Holders within 30 days of such acceptance at the expense of the Borrower.

(e) Any Person into which the Tender Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any Person to which the Tender Agent may sell or transfer all or substantially all of its trust or trust-related business, provided such Person shall be eligible under Section 3.07(a), shall be the successor to such Tender Agent, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. Upon any such merger, consolidation or sale, the successor Tender Agent shall notify the Issuer, the Borrower, the Bank, if applicable, each Remarketing Agent, the Trustee and each Liquidity Facility Provider and, thereafter, shall deliver to the registered owners of all Outstanding Bonds at the addresses appearing

on the registration books maintained by the Trustee notice of the succession of such Tender Agent to the duties of the Tender Agent hereunder.

Section 3.08. Optional Tenders During Variable Rate Periods.

(a) Holders of Eligible Bonds of the Bonds may elect to have their Variable Rate Bonds, or portions thereof in amounts equal to Authorized Denominations, purchased at the Purchase Price on the following Purchase Dates and upon the giving of the following Electronic Notice or written notice meeting the further requirements set forth in Section 3.08(b) below:

(1) Eligible Bonds of the Bonds with interest payable at a Daily Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Notice or written notice of tender to the Tender Agent and the Remarketing Agent not later than 11:00 a.m., New York City time, on the designated Purchase Date.

(2) Eligible Bonds of the Bonds with interest payable at a Weekly Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon delivery of a written notice of tender to the Tender Agent and the Remarketing Agent not later than 5:00 p.m., New York City time, on a Business Day not fewer than seven days prior to the designated Purchase Date.

(b) Each notice of tender:

(1) Shall, in case of a written notice, be delivered to the Tender Agent and the Remarketing Agent at their respective principal corporate offices and be in form satisfactory to the Tender Agent and the Remarketing Agent;

(2) Shall state, whether delivered in writing or by Electronic Notice, (A) the principal amount of the Variable Rate Bond to which the notice relates and the series and CUSIP number of such Variable Rate Bond, (B) that the Holder irrevocably demands purchase of such Variable Rate Bond or a specified portion thereof in an Authorized Denomination, (C) for Variable Rate Bonds, the Purchase Date on which such Variable Rate Bond or portion thereof is to be purchased and (D) payment instructions with respect to the Purchase Price; and

(3) Shall automatically constitute, whether delivered in writing or by Electronic Notice, (A) an irrevocable offer to sell the Variable Rate Bond (or portion thereof) to which such notice relates on the Purchase Date, to any purchaser selected by the Remarketing Agent, at a price equal to the Purchase Price, (B) an irrevocable authorization and instruction to the Tender Agent to effect transfer of such Variable Rate Bond (or portion thereof) upon receipt by the Tender Agent of funds sufficient to pay the Purchase Price on the Purchase Date, (C) an irrevocable authorization and instruction to the Tender Agent to effect the exchange of the Variable Rate Bond be purchased in whole or in part for other Variable Rate

Bonds in an equal aggregate principal amount so as to facilitate the sale of such Variable Rate Bonds (or portion thereof to be purchased), and (D) an acknowledgment that such Holder will have no further rights with respect to such Variable Rate Bond (or portion thereof) upon deposit of an amount equal to the Purchase Price thereof with the Tender Agent on the Purchase Date, except for the right of such Holder to receive such Purchase Price upon surrender of such Variable Rate Bond to the Tender Agent.

The determination of the Tender Agent and the Remarketing Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Holder. The Tender Agent or the Remarketing Agent may waive any irregularity or nonconformity in any notice of tender.

(c) The right of Holders to tender Variable Rate Bonds for purchase pursuant to this Section shall terminate upon a Conversion Date with respect to such Variable Rate Bonds to an Interest Rate Mode that is not a Variable Rate Period.

(d) Notwithstanding anything to the contrary herein, all Variable Rate Bonds as to which Electronic Notice or written notice specifying the Purchase Date has been delivered pursuant to this Section 3.08 (and which have not been tendered to the Tender Agent) shall be deemed tendered on the Purchase Date specified. From and after the specified Purchase Date of a Bond or Bonds tendered to the Tender Agent or deemed tendered pursuant to this Section 3.08, the former Holder of such Bond or Bonds shall be entitled solely to the payment of the Purchase Price of such Bond or Bonds tendered or deemed tendered which Purchase Price shall be payable only as set forth in Section 3.09(d).

(e) The Tender Agent shall promptly return any notice of tender delivered pursuant to Section 3.08(b) (together with the Bonds submitted therewith) that is incomplete or improperly completed or not delivered within the times required by Section 3.08(b) to the Person or Persons submitting such notice and Bonds upon surrender of the receipt, if any, issued therefor.

Section 3.09. Purchase of Bonds by Tender Agent.

(a) The Tender Agent shall establish a special trust fund to be designated the Purchase Fund; and, within such Purchase Fund, the Tender Agent shall establish four separate accounts to be designated the Remarketing Account, the Liquidity Account, the Borrower Purchase Account and the Undelivered Bond Payment Account. Only the Tender Agent shall have any right of withdrawal from the Purchase Fund with respect to the Bonds; and such Purchase Fund and such right of withdrawal shall be for the sole and exclusive benefit of the Holders of the Bonds subject to purchase on Purchase Dates (and the Liquidity Facility Provider with respect to the Liquidity Facility relating to the Bonds, to the extent provided in Section 3.09(e)); and the Issuer and the Borrower shall have no legal, beneficial or equitable interest in such Purchase Fund. Amounts on deposit in the Purchase Fund shall be held uninvested and without bearing interest. Amounts in the Purchase Fund shall not be commingled with amounts in the purchase funds for any other series of bonds of the Issuer; and amounts in a particular account of the Purchase Fund shall not be

commingled with amounts in any other account of such Purchase Fund. Any moneys received by the Tender Agent by reason of the remarketing by the Remarketing Agent with respect to the Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Remarketing Account of the Purchase Fund and applied by the Tender Agent in accordance with Section 3.09(d) and Section 3.09(e). Any moneys received by the Tender Agent representing amounts paid by the Liquidity Facility Provider with respect to the Liquidity Facility, under such Liquidity Facility, for the purchase or for the provision of funds for the purchase of Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Liquidity Account of the Purchase Fund with respect to the Bonds and applied by the Tender Agent in accordance with Section 3.09(d) and Section 3.09(e). Any moneys received by the Tender Agent representing amounts paid by the Borrower for the purchase of Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Borrower Purchase Account of the Purchase Fund and applied by the Tender Agent in accordance with Section 3.09(d) and Section 3.09(e). Notwithstanding anything to the contrary contained herein, the Tender Agent shall not draw upon the Liquidity Facility in connection with paying the Purchase Price of the Bonds held by the Borrower or Bank Bonds. Moneys shall be transferred to the Undelivered Bond Payment Account within a Purchase Fund from the other accounts of such Purchase Fund or to the Liquidity Facility Provider with respect to the Liquidity Facility relating to the Bonds, in accordance with Section 3.09(e); and moneys shall be applied from the Undelivered Bond Payment Account within a Purchase Fund in accordance with Section 3.09(f).

(b) Upon:

(1) Receipt of any Electronic Notice or written notice of tender relating to Bonds bearing interest at a Daily Rate, the Tender Agent shall notify the Borrower, the Remarketing Agent and the Liquidity Facility Provider by telephonic notice of the amount of such Bonds to be tendered pursuant to such notice and the Tender Agent shall confirm such telephonic notice by Electronic Notice by 11:15 a.m., New York City time, on the Purchase Date, including in such telephonic notice and the confirmation thereof the amount of the Purchase Price of such Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Purchase Date;

(2) Receipt of any Electronic Notice or written notice of tender relating to Bonds bearing interest at a Weekly Rate, the Tender Agent shall, not later than 5:00 p.m., New York City time, on the next Business Day, send notice of such tender to the Borrower, the Remarketing Agent and the Liquidity Facility Provider, if any, by Electronic Notice, including in such notice the amount of the Purchase Price of such Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Purchase Date.

Simultaneously with the giving (pursuant to Section 3.10(e)) of notice of any mandatory tender of Bonds pursuant to Section 3.10, the Trustee shall give notice by telephone or Electronic Notice, promptly confirmed by a written notice, to the Tender Agent, the Remarketing Agent, the Liquidity Facility Provider, if any, and the Borrower specifying the applicable Purchase Date, the aggregate principal amount and Purchase Price of Bonds subject to mandatory tender on such

Purchase Date, and the portion, if any, of such Purchase Price representing accrued and unpaid interest on such Bonds to such Purchase Date.

(c) Not later than Noon, New York City time, on each Purchase Date, the Tender Agent shall determine the amount, if any, by which the Purchase Price of the Bonds to be purchased on such Purchase Date exceeds the amount of the proceeds of the remarketing of such Bonds by the Remarketing Agent for the Bonds on deposit in the Remarketing Account of the Purchase Fund at such time; and

(1) If a Liquidity Facility is in effect on such Purchase Date, then (A) not later than 12:15 p.m., New York City time, on such Purchase Date, the Tender Agent shall request (such request being referred to as a "Liquidity Facility Request") the purchase by the Liquidity Facility Provider under the Liquidity Facility, or the funding by the Liquidity Facility Provider under the Liquidity Facility under the Credit Facility of moneys for the purchase, of Bonds having a Purchase Price equal to the amount of such excess (by submitting to such Liquidity Facility Provider in accordance with such Liquidity Facility all such documents as are required for such purpose), and (B) not later than 2:45 p.m., New York City time, on such Purchase Date, the Tender Agent shall deposit the proceeds of such Liquidity Facility Request received by the Tender Agent in the Liquidity Account of the Purchase Fund; or

(2) If a Liquidity Facility is not in effect on such Purchase Date and the Borrower is obligated to make Required Liquidity Payments or otherwise elects in its sole discretion to make Optional Liquidity Payments to provide funds for such payment, then (A) not later than 12:30 p.m., New York City time, on such Purchase Date, the Tender Agent shall notify the Borrower that the amount of such excess is the amount payable by the Borrower to the Tender Agent not later than 2:30 p.m., New York City time, on such Purchase Date for purposes of causing the Tender Agent to purchase, on behalf of the Borrower, Bonds having a Purchase Price equal to such excess (and, thereby, for the Tender Agent to have sufficient funds to pay the Purchase Price of all Bonds subject to purchase on such Purchase Date), and (B) not later than 2:30 p.m., New York City time, on such Purchase Date, the Tender Agent shall deposit the amount received by the Tender Agent from the Borrower for such purpose in the Borrower Purchase Account of the Purchase Fund.

(d) Not later than 3:00 p.m., New York City time, on each Purchase Date, the Tender Agent shall disburse the Purchase Price of Bonds to be purchased on such Purchase Date to the Holders thereof (upon surrender thereof for payment of such Purchase Price), from the following sources and in the following order of priority:

(1) Moneys on deposit in the Remarketing Account of the Purchase Fund (representing the proceeds of the remarketing by the Remarketing Agent with respect to the Bonds);

(2) If a Liquidity Facility is in effect on such Purchase Date, moneys on deposit in the Liquidity Account of the Purchase Fund (representing the proceeds of a Liquidity Facility Request under such Liquidity Facility; and

(3) If a Liquidity Facility is not in effect with respect to the Bonds on such Purchase Date, moneys on deposit in the Borrower Purchase Account of the Purchase Fund (representing amounts paid by the Borrower to the Tender Agent for the purchase of such Bonds).

(e) Any moneys remaining in the Remarketing Account, the Liquidity Account or the Borrower Purchase Account of the Purchase Fund and representing (but not exceeding) the Purchase Price of Bonds subject to purchase on the applicable Purchase Date but not tendered and delivered for purchase on the applicable Purchase Date (following the payments from such Purchase Fund described in Section 3.09(d)), shall be transferred by the Tender Agent to the Undelivered Bond Payment Account of such Purchase Fund not later than 3:30 p.m., New York City time, on the applicable Purchase Date (and retained therein, subject to Section 3.09, for application in accordance with Section 3.09(f)). Any moneys remaining in the Remarketing Account, the Liquidity Account and the Borrower Purchase Account of the Purchase Fund on the applicable Purchase Date (after the payments from such Purchase Fund described in Section 3.09(d) and the transfer described in the preceding sentence of this Section 3.09(e)) shall be wire transferred by the Tender Agent, in immediately available funds, prior to the close of business on such Purchase Date, to the Remarketing Agent, the Liquidity Facility and the Borrower, respectively.

(f) Moneys transferred to the Undelivered Bond Payment Account of the Purchase Fund on any Purchase Date shall be applied, on or after such Purchase Date, by the Tender Agent to pay the Purchase Price of Undelivered Bonds in respect of which they were so transferred, upon the surrender of such Bonds to the Tender Agent for such purpose.

(g) Subject only to the provisions of this Section 3.09 permitting the application thereof for the purposes and on the terms and conditions set forth herein, there are hereby pledged to secure the payment of the Purchase Price of the Bonds tendered and/or deemed tendered for purchase in accordance with this Indenture all of the Required Liquidity Payments and other amounts held in the Purchase Fund (and the accounts therein). Said pledge shall constitute a lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after delivery by the Trustee of the Bonds, without any physical delivery thereof or further act.

(h) The Issuer hereby transfers in trust, grants a security interest in and assigns to the Tender Agent, for the benefit of the Holders of the Bonds, as security for the payment of the Purchase Price of Bonds tendered and/or deemed tendered for purchase in accordance with this Indenture, all of the Required Liquidity Payments and other amounts held in the Purchase Fund (and the accounts therein). The Tender Agent shall be entitled to and shall receive all of the Required Liquidity Payments, and any Required Liquidity Payments collected or received by the Issuer shall be deemed to be held, and to have been collected and received by the Issuer as the agent of the Tender Agent, and shall forthwith be paid by the Issuer to the Tender Agent. The Tender Agent

shall take all steps, actions and proceedings reasonably necessary in its judgment to enforce the right of the Issuer to pay Required Liquidity Payments.

Section 3.10. Mandatory Purchase of Bonds.

(a) Bonds of a series shall be subject to mandatory tender for purchase by the Tender Agent at the Purchase Price on the following Purchase Dates with respect to the Bonds of such series:

- (1) Each Bank Purchase Date;
- (2) Each Conversion Date for the Bonds of such series (unless such Conversion Date is already a Purchase Date, in which case no separate mandatory tender by operation of this Section 3.10 shall occur);
- (3) Each Short-Term Rate Mandatory Purchase Date for such Bonds;
- (4) Each Long-Term Rate Mandatory Purchase Date for such Bonds;
- (5) The fifth day next preceding the Expiration Date of the Liquidity Facility or Credit Facility in effect with respect to such Bonds (unless, on or prior to the fifth day next preceding such Expiration Date, such Expiration Date is extended);
- (6) Each Liquidity Facility Date or Credit Facility Date;
- (7) The Termination Date of the Liquidity Facility, if any, in effect with respect to such Bonds;
- (8) The date the Borrower elects to terminate the Liquidity Facility prior to its expiration;
- (9) The Nonreinstatement Date of the Liquidity Facility, if any, in effect with respect to such Bonds; and
- (10) Each Borrower Elective Purchase Date for the Bonds.

(b) Bonds to be purchased pursuant to this Section 3.10 shall be delivered by the Holders thereof to the Tender Agent (together with necessary assignments and endorsements) at or prior to 1:00 p.m. New York City time on the applicable Purchase Date.

(c) Any Bonds to be purchased by the Tender Agent pursuant to this Section 3.10 that are not delivered for purchase on or prior to the Purchase Date, for which there has been irrevocably deposited in trust with the Trustee or the Tender Agent an amount sufficient to pay the Purchase Price of such Bonds, shall be deemed to have been tendered to the Tender Agent for purchase, and

the Holders of such Bonds shall not be entitled to any payment (including any interest to accrue on or after the Purchase Date) other than the respective Purchase Prices of such Bonds, and such Bonds shall not be entitled to any benefits of this Indenture, except for payment of such Purchase Price out of the moneys deposited for such payment as aforesaid, subject, however, to the defeasance provisions under this Indenture.

(d) In addition to any other requirements set forth in this Indenture, notices of mandatory tender of Bonds delivered to Holders shall:

(1) Specify the proposed Purchase Date and the event which gives rise to the proposed Purchase Date;

(2) State that such Bonds shall be subject to mandatory tender for purchase on such date;

(3) State that Holders may not elect to retain Bonds subject to mandatory tender;

(4) State that all Bonds subject to mandatory tender shall be required to be delivered to the principal corporate trust office of the Tender Agent at or before 1:00 p.m., New York City time, on the Purchase Date;

(5) State that if the Holder of any Bond subject to mandatory tender fails to deliver such Bond to the Tender Agent for purchase on the Purchase Date, and if the Tender Agent is in receipt of funds sufficient to pay the Purchase Price thereof, such Bond (or portion thereof) shall nevertheless be deemed purchased on the Purchase Date and ownership of such Bond (or portion thereof) shall be transferred to the purchaser thereof;

(6) State that any Holder that fails to deliver any Bond for purchase shall have no further rights thereunder or under this Indenture except the right to receive the Purchase Price thereof upon presentation and surrender of said Bond to the Tender Agent and that the Trustee will place a stop transfer against the Bonds subject to mandatory tender registered in the name of such Holder(s) on the registration books;

(7) State that provided that moneys sufficient to effect such purchase shall have been provided through (A) the remarketing of the Bonds by the Remarketing Agent, (B) the Liquidity Facility (if any) or (C) funds provided by the Borrower (if applicable), all such Bonds shall be purchased;

(8) In the case of mandatory tender upon any proposed conversion of the Bonds of a series, state that such conversion and such mandatory tender will not occur by reason of the occurrence of certain events specified in Section 2.02(g) or Section 2.03, as applicable (and summarize such events);

(9) In the case of mandatory tender on the fifth day next preceding the Expiration Date of the Liquidity Facility or Credit Facility relating to such Bonds, state that such mandatory tender will not occur, if, on or prior to such fifth day, such Expiration Date is extended; and

(10) In the case of mandatory tender on a Liquidity Facility Date or Credit Facility Date with respect to such Bonds, state the information required by Section 3.16(c) or 3.17(c) hereof.

(e) Notice of mandatory tender of the Bonds of a series by reason of a proposed Conversion Date shall be given in accordance with Section 2.02(g) or Section 2.03, as applicable; and notice of mandatory tender of such Bonds by reason of a proposed Liquidity Facility Date or Credit Facility Date with respect to such Bonds shall be given in accordance with Section 3.16 or 3.17, as applicable. Notice of mandatory tender of such Bonds by reason of other events described in Section 3.10 shall be given by the Trustee (1) to the Holders of Bonds subject to mandatory tender (at their addresses as they appear on the registration books of the Trustee as of the date of such notice) by Electronic Notice, confirmed by first class mail, and (2) to the Borrower, the Remarketing Agent, the Tender Agent, the Calculation Agent, if any, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, by Electronic Notice not fewer than 10 days prior to the applicable Purchase Date.

(f) If, following the giving of notice of mandatory tender of Bonds pursuant to this Section, an event occurs which, in accordance with the terms of this Indenture causes such mandatory tender not to occur, then (i) the Trustee shall so notify the Holders of such Bonds (at their addresses as they appear on the registration books of the Trustee on the date of such notice), by Electronic Notice, confirmed by first class mail, as soon as may be practicable after the applicable Purchase Date, and (ii) the Tender Agent shall return to their Holders any such Bonds tendered to the Tender Agent in connection with such mandatory tender of such Bonds.

(g) During any Variable Rate Period, the Bonds of a series are subject to mandatory tender for purchase on any Business Day (a "***Borrower Elective Purchase Date***") designated by the Borrower, with the consent of the Liquidity Facility Provider, if any, at the Purchase Price, payable in immediately available funds. Such Borrower Elective Purchase Date shall be a Business Day not earlier than the 10th day following the second Business Day after receipt by the Tender Agent of such designation. If on a Borrower Elective Purchase Date sufficient remarketing proceeds are not available for the purchase of all Bonds, then the Borrower's designation of such Borrower Elective Purchase Date for such Bonds shall be deemed rescinded, the Borrower shall have no obligation to purchase the Bonds tendered or deemed tendered on the Borrower Elective Purchase Date, and the failed remarketing shall not constitute an Event of Default under this Indenture. The Trustee shall give Electronic Notice of such rescission to the Holders, with a copy to the Borrower, the Tender Agent, the Remarketing Agent and the Liquidity Facility Provider as soon as practicable and in any event not later than the next succeeding Business Day.

Section 3.11. Insufficient Funds for the Payment of Purchase Price.

(a) If the funds available for the purchase of Bonds subject to purchase on a Purchase Date are insufficient to purchase all of the Bonds subject to purchase on such Purchase Date (including Undelivered Bonds), then no purchase of any Bonds shall occur on such Purchase Date and, on such Purchase Date, the Tender Agent shall (i) return all of such Bonds that were tendered to the Holders thereof, (ii) return all moneys received by the Tender Agent for the purchase of such Bonds to the respective Persons that provided such moneys (in the respective amounts in which such moneys were so provided), and (iii) notify the Trustee of the foregoing.

(b) (i) The failure to purchase Bonds on a Purchase Date; (ii) a Borrower Elective Purchase Date; and (iii) a Purchase Date where a Liquidity Facility is in effect with respect to the Bonds, no automatic termination event has occurred under the Liquidity Facility, and the Liquidity Facility Provider fails to pay or provide funds for the payment of the Purchase Price, when required) shall constitute an Event of Default (subject to Section 3.09(g)).

(c) If Bonds are not purchased when required pursuant to Section 3.08(a)(1) or (2) or Section 3.10(a)(3), (4), (5), (6), (8), and (10), such Bonds shall bear interest at the Maximum Rate from such Purchase Date until such date that all of such Bonds have been remarketed.

(d) Reserved as a Placeholder.

(e) If Variable Bonds are not purchased on a Borrower Elective Purchase Date, then such Variable Bonds shall bear interest at a Variable Rate determined as provided in Section 2.02.

(f) If a Liquidity Facility is in effect with respect to the Bonds, and the provider thereof has failed to honor its payment obligations under the Liquidity Facility, twenty five percent (25%) of the Holders of the Bonds enhanced by such Liquidity Facility (excluding Bonds owned by the Borrower and Bank Bonds), shall have the right at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Liquidity Facility, or any other proceedings thereunder; provided that such direction shall be in accordance with applicable law.

Section 3.12. The Remarketing Agents.

(a) One or more Remarketing Agents may be appointed with respect to a series of Bonds from time to time by the Issuer upon the prior written request of the Borrower and with the prior written consent of the Liquidity Facility Provider, if any, with respect to the Liquidity Facility relating to such Bonds (which consent shall not be unreasonably withheld). Each Remarketing Agent appointed with respect to a series of Bonds in accordance with this Indenture shall designate its principal office and signify its acceptance of the duties and obligations imposed upon it as described herein by a written instrument of acceptance delivered to the Issuer, the Trustee, the Borrower and the Liquidity Facility Provider with respect to the Liquidity Facility or relating to the

Bonds, or by executing and delivering a Remarketing Agreement, in either case under which such Remarketing Agent (subject to Section 3.11(b)) will agree, particularly:

(1) To hold all moneys delivered to it hereunder for the purchase of Bonds in trust for the exclusive benefit of the Person or Persons that shall have so delivered such moneys until the Bonds purchased with such moneys shall have been delivered to or for the account of such Person or Persons;

(2) To keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Borrower and the Trustee at all reasonable times;

(3) To determine the Variable Rates, Short-Term Rates, Long-Term Rates, and the Fixed Rate with respect to such Bonds and give notice of such rates or spread, as applicable in accordance with Article II;

(4) To offer for sale and use its best efforts to find purchasers for the Bonds tendered for purchase, any such sale to be made at a price equal to 100% of the principal amount thereof plus accrued interest to the Purchase Date, in accordance with the terms of this Indenture;

(5) To deliver to the Tender Agent all Bonds held by it in accordance with the terms of this Indenture and the Remarketing Agreement; and

(6) To perform such other duties and responsibilities (including, without limitation, with respect to Bank Bonds) as are provided in this Indenture to be performed by the Remarketing Agent.

(b) One or more firms may serve as co-Remarketing Agents hereunder provided that each co-Remarketing Agent satisfies the requirements of Section 3.13. If co-Remarketing Agents have been appointed and are performing the duties of Remarketing Agent hereunder, all references herein to the Remarketing Agent shall be deemed to refer to all the Remarketing Agents acting jointly; provided that the Remarketing Agreement may provide that one firm may perform certain specified duties hereunder in its sole capacity.

(c) In the event that the Remarketing Agent shall be dissolved, or if the property or affairs of such Remarketing Agent shall be taken under control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, the office of the Remarketing Agent is (or is deemed by the Trustee to be) vacant, and the Issuer shall not have appointed a successor as such Remarketing Agent, the Tender Agent shall ipso facto be deemed to be such Remarketing Agent for all purposes of this Indenture until the appointment by the Issuer upon request of the Borrower and with the prior written consent of any Liquidity Facility Provider and any Credit Facility Provider (which consent shall not be unreasonably withheld) of a successor to such Remarketing Agent; provided, however, that the Tender Agent, in its capacity as such

Remarketing Agent, shall not be required to remarket such Bonds or determine the interest rate on such Bonds hereunder.

(d) Each Remarketing Agent may in good faith hold any Bonds or any other form of indebtedness issued by the Issuer; own, accept or negotiate any drafts, bills of exchange, acceptances or obligations thereof; and make disbursements therefor and enter into any commercial or business arrangement therewith; all without any liability on the part of such Remarketing Agent for any real or apparent conflict of interest by reason of any such actions.

Section 3.13. Qualifications of Remarketing Agent. Each Remarketing Agent shall be authorized by law to perform all the duties imposed upon it hereunder. The Remarketing Agent may at any time resign and be discharged of the duties and obligations of the Remarketing Agent described in this Indenture by giving at least 30 days' notice to the Issuer, the Borrower, Trustee, the Tender Agent, the Liquidity Facility Provider and the Credit Facility Provider, if any, and the Rating Agencies. The Remarketing Agent may, upon written request by the Borrower, be removed at any time upon written notice by the Issuer to such Remarketing Agent, the Tender Agent, the Trustee, the Borrower, the Liquidity Facility Provider and the Credit Facility Provider, if any, and the Rating Agencies.

Section 3.14. Sale of Bonds by Remarketing Agent.

(a) Upon the receipt by the Remarketing Agent (1) notice of tender of Variable Rate Bonds pursuant to Section 3.08, and (2) notice of mandatory tender of Bonds pursuant to Section 3.10, such Remarketing Agent shall offer for sale and use its best efforts subject to the terms of the Remarketing Agreement to solicit purchases of Bonds subject to purchase on the applicable Purchase Date at a price equal to the Purchase Price; provided, however, that such Remarketing Agent shall not offer for sale or use its best efforts to solicit purchases of Bonds subject to mandatory tender on the fifth day next preceding the Expiration Date of the Liquidity Facility or Credit Facility with respect to the Bonds (unless, on or prior to such day, the Expiration Date of such Liquidity Facility or Credit Facility is extended), the Termination Date or the Nonreinstatement Date; and provided further, however, that, so long as a Liquidity Facility or Credit Facility is in effect with respect to the Bonds the Remarketing Agent shall not offer for sale or sell any Bonds to the Issuer or the Borrower.

(b) The Remarketing Agent shall direct that the proceeds of all purchases of Bonds solicited and arranged by such Remarketing Agent be paid to the Tender Agent (for deposit in the Remarketing Account of the Purchase Fund), at or prior to Noon, New York City time, on the applicable Purchase Date, in immediately available funds (and, promptly upon receipt thereof, the Tender Agent shall deposit such proceeds (against delivery of remarketed tendered Bonds to the Remarketing Agent) in the Remarketing Account of the Purchase Fund).

(c) At or prior to 4:30 p.m., New York City time, on the Business Day next preceding each Purchase Date with respect to the Bonds (other than a Purchase Date arising under Section 3.08 with respect to a Bond bearing interest at a Daily Rate), the Remarketing Agent shall give notice by

telephone (promptly confirmed by Electronic Notice) to the Tender Agent specifying: (1) the aggregate principal amount and Purchase Price of Bonds subject to purchase on such Purchase Date for which such Remarketing Agent has received indications of interest from prospective purchasers, and (2) the aggregate principal amount and Purchase Price of Bonds subject to purchase on such Purchase Date for which such Remarketing Agent has not received indications of interest from prospective purchasers.

(d) The Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of all Bank Bonds at a price equal to 100% of the principal amount thereof plus (unless all of the Bonds are Bank Bonds or as otherwise provided in Section 2.02(f) or Section 2.03) accrued and unpaid interest thereon at the rate that would be borne by such Bank Bonds if such Bank Bonds were not Bank Bonds. In connection with each remarketing of Bank Bonds by the Remarketing Agent:

(1) Such Remarketing Agent shall (A) provide to the Borrower, the Liquidity Facility Provider, the Trustee and the Tender Agent not less than one Business Day's prior notice of such remarketing, and (B) pay, or cause to be paid to such Liquidity Facility Provider, by wire transfer of immediately available funds, the proceeds of such remarketing;

(2) The Borrower shall (A) in consultation with the Liquidity Facility Provider, calculate the amounts payable to such Liquidity Facility Provider pursuant to the Liquidity Facility or the related Liquidity Facility Agreement by reason of, and on the date of such remarketing (such amounts being referred to as the "Remarketing Payment Amount"), and (B) pay to such Liquidity Facility Provider, or direct the Trustee to withdraw from the Bond Fund and pay to such Liquidity Facility Provider, in either case, on the date of such remarketing and by wire transfer of immediately available funds, an amount of money which, when added to the proceeds of such remarketing being delivered to such Liquidity Facility Provider on the date of such remarketing, equals the Remarketing Payment Amount;

(3) The Tender Agent shall confirm with the Liquidity Facility Provider the receipt by such Liquidity Facility Provider of the Remarketing Payment Amount, the reinstatement of the obligation of such Liquidity Facility Provider to make funds available under the Liquidity Facility and the authorization of such Liquidity Facility Provider to release such Bank Bonds or its security interest therein; and

(4) After, and only after, receipt by the Tender Agent of confirmation by the Liquidity Facility Provider of the reinstatement of the obligation of such Liquidity Facility Provider under the Liquidity Facility to purchase or make funds available for the purchase of such Bank Bonds following remarketing of such Bank Bonds and authorization by such Liquidity Facility Provider of such transfer or such authentication and delivery, the Tender Agent shall (A) while a Book-Entry System is in effect with respect to the Bonds, cause the ownership interest in such Bank Bonds to be transferred to or for the benefit of such purchaser or purchasers as are specified by the Remarketing Agent for such purpose, and (B) while a Book-Entry System is not in effect with respect to the Bonds, cause the Trustee to

authenticate other Bonds in lieu of such Bank Bonds and to deliver the same to or upon the instruction of such Remarketing Agent.

(e) The Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of (1) all Bonds subject to purchase on a Purchase Date that are purchased with moneys provided by the Borrower to the Tender Agent for such purpose (as described in Section 3.09(c)(2)), and (2) all Bonds that are purchased by the Borrower pursuant to the Liquidity Facility with respect to the Bonds or the related Liquidity Facility Agreement and not surrendered by the Borrower for cancellation.

Section 3.15. Delivery of Bonds.

(a) Upon application of the moneys described in Section 3.09(d)(1) to the purchase of Bonds on a Purchase Date pursuant to Section 3.09(d)(1) (and/or to the transfer thereof to the Undelivered Bond Payment Account of the Purchase Fund on a Purchase Date pursuant to Section 3.09(e)), the Tender Agent shall cause the Trustee to register the transfer of Bonds purchased therewith in the names of the purchasers thereof in accordance with information provided by the Remarketing Agent for such purpose and to have such transferred Bonds available for delivery against payment therefor.

(b) Upon application of the moneys described in Section 3.09(d)(2) to the purchase of Bonds on a Purchase Date pursuant to Section 3.09(d)(2) (and/or to the transfer thereof to the Undelivered Bond Payment Account of the Purchase Fund on a Purchase Date pursuant to Section 3.09(e)), (1) the Bonds purchased (or, in the case of such transfer, provided to be purchased) with such moneys shall constitute Bank Bonds (unless and until such Bonds cease to be Bank Bonds as described in Section 2.05), and (2) if a Book-Entry System is in effect with respect to the Bonds, the ownership interest in such Bank Bonds shall be transferred on the books of the Securities Depository to or for the account of the Tender Agent or a Securities Depository Participant acting on behalf of the Tender Agent and the Tender Agent shall, and shall cause such Securities Depository Participant to, mark its own books and records to reflect the beneficial ownership of such Bank Bonds by the Liquidity Facility Provider, and (3) if a Book-Entry System is not in effect with respect to the Bonds, such Bonds shall be delivered by the Tender Agent to the Trustee for registration of transfer and shall be registered by the Trustee in the name of the Liquidity Facility Provider with respect to the Bonds, or any nominee of such Liquidity Facility Provider, and delivered by the Trustee to the Tender Agent and held by the Tender Agent as bailee and custodian of such Liquidity Facility Provider. The Tender Agent shall release and redeliver or transfer Bank Bonds (being remarketed by the Remarketing Agent) as provided in Section 3.14(d). Any other disposition of Bank Bonds shall be made only at the written direction or with the prior written consent of the Liquidity Facility Provider.

(c) Upon the application of moneys described in Section 3.09(d)(3) to the purchase of Bonds on a Purchase Date pursuant to Section 3.09(d)(3) (and/or to the transfer thereof to the Undelivered Bond Payment Account of the Purchase Fund on a Purchase Date pursuant to Section 3.09(e)), the Bonds purchased (or, in the case of such transfer, provided to be purchased) with such

moneys shall be registered in the name of the Borrower and shall, at the direction of the Borrower, be delivered to the Trustee for cancellation (and canceled by the Trustee) or delivered to the Tender Agent for the account of the Borrower and remarketed in accordance with Section 3.14(e).

(d) So long as a Liquidity Facility is in effect with respect to the Bonds, the Trustee shall notify the Liquidity Facility Provider with respect to the Bonds of the aggregate principal amount of Bonds so canceled and shall submit to such Liquidity Facility Provider such documents, if any, as are required in accordance with the terms of such Liquidity Facility to cause the amounts available under such Liquidity Facility to be reduced in respect of such Bonds so canceled.

Section 3.16. The Liquidity Facility.

(a) Delivery of a Liquidity Facility. In each case where a Liquidity Facility is to be delivered to the Tender Agent (including the delivery of a new Liquidity Facility in substitution for an existing Liquidity Facility), the Liquidity Facility shall only become effective with respect to the Bonds of a series if such Bonds have been successfully purchased and remarketed on the related Purchase Date. Upon delivery of a Liquidity Facility with respect to a series of Bonds, together with the documents described in clause (e) below, the Tender Agent shall accept such Liquidity Facility and, upon such acceptance, such Liquidity Facility shall be the Liquidity Facility with respect to such Bonds and the issuer or issuers of such Liquidity Facility (or any agent acting on its or their behalf) shall be the Liquidity Facility Provider with respect to such Bonds, in each case, for all purposes of this Indenture.

(b) Mandatory Tender of Bonds in Connection with Delivery of a Liquidity Facility. Pursuant to and in accordance with Section 3.10, if a Liquidity Facility is delivered with respect to series of Bonds, those Bonds will be subject to mandatory tender on the Purchase Date determined pursuant to and in accordance with Section 3.10(a)(7). If an existing Liquidity Facility is in effect on that Purchase Date, funds for the purchase of those Bonds tendered on that Purchase Date will be made available in accordance with the terms of that existing Liquidity Facility and not the new Liquidity Facility to be delivered on that Purchase Date.

(c) Notice of Delivery of a Liquidity Facility; Conditional Mandatory Tender of Bonds. The Borrower shall notify the Trustee, the Tender Agent, the Remarketing Agent and any then existing Liquidity Facility Provider or Credit Facility Provider of the proposed delivery of a Liquidity Facility and the related Liquidity Facility Date at least 20 days prior to such Liquidity Facility Date. The Trustee shall give notice to the Holders of the Bonds of such series (at their addresses as they appear on the registration books of the Trustee as of the date of such notice), by Electronic Notice, confirmed by first class mail, of the proposed delivery of a Liquidity Facility and the related Liquidity Facility Date at least 15 days prior to such Liquidity Facility Date. Such notice shall also constitute the notice of mandatory tender of the Bonds of such series on the related Liquidity Facility Date; provided, however, that in addition to the information required by Section 3.10(d), such notice shall state that such mandatory tender of such Bonds will not occur if, on or prior to the proposed Liquidity Facility Date, the Tender Agent does not receive such Liquidity Facility, together with the Supporting Liquidity Facility Documents (as defined in paragraph (e)

below). If, by reason of the conditions to such mandatory tender of such Bonds (as stated in such notice), there is no mandatory tender of such Bonds on the proposed Liquidity Facility Date, (1) the Tender Agent shall so notify the Trustee, (2) the Trustee shall so notify the Holders of such Bonds (at their addresses as they appear on the registration books of the Trustee as of the date of such notice) by Electronic Notice, confirmed by first class mail, and (3) the Tender Agent shall return to their Holders any such Bonds tendered to the Tender Agent in connection with such mandatory tender of such Bonds.

(d) The Borrower may elect at any time (1) to permit a Liquidity Facility to expire without delivering a new Liquidity Facility, or (2) to terminate a Liquidity Facility prior to its expiration.

(e) Supporting Liquidity Facility Documents. In connection with the delivery of a Liquidity Facility, the Borrower shall deliver, or shall cause to be delivered, the following documents (the "***Supporting Liquidity Facility Documents***"):

(1) written evidence from each Rating Agency then maintaining a rating on such Bonds of the rating to be assigned by such Rating Agency to such Bonds following the delivery of the Liquidity Facility with respect to such Bonds;

(2) a written Opinion of Counsel, addressed to the Trustee and the Tender Agent, to the effect that such Liquidity Facility is the legal, valid and binding obligation of the issuer or issuers thereof, enforceable against such issuer or issuers in accordance with its terms (subject to customary exceptions relating to bankruptcy, insolvency and rights of creditors generally and to specific performance and equitable remedies);

(3) an Opinion of Bond Counsel to the effect that the delivery of the Liquidity Facility with respect to such Bonds will not, in and of itself, cause the interest on such Bonds to be includable in the gross income of Holders for purposes of federal income taxation; and

(4) if applicable, the written acknowledgment of the Liquidity Facility Provider with respect to the Liquidity Facility then in effect with respect to such Bonds that all conditions precedent to termination of such existing Liquidity Facility that are contained in such Liquidity Facility or the Liquidity Facility Agreement relating thereto have been fulfilled (or provision satisfactory to such Liquidity Facility Provider has been made for such fulfillment).

(f) If there is a Liquidity Facility in effect with respect to a series of Bonds, the Tender Agent shall make Liquidity Facility Requests in accordance with Section 3.09(c).

(g) The Tender Agent shall not terminate or reduce the amounts available under a Liquidity Facility except by reason of (1) the redemption, cancellation and/or defeasance of Bonds to which such Liquidity Facility relates, (2) the conversion of such Bonds to an Interest Rate Mode which is not covered by such Liquidity Facility or (3) a new Liquidity Facility is delivered and

becomes effective in accordance with the provisions of this Section 3.16. Notwithstanding the foregoing, the Borrower may elect to terminate a Liquidity Facility at any time in accordance with the terms of the related Liquidity Facility Agreement.

Section 3.17. The Credit Facility.

(a) Delivery of a Credit Facility. In each case where a Credit Facility is to be delivered to the Trustee with respect to a series of Bonds (including the delivery of a new Credit Facility in substitution for an existing Credit Facility), the Credit Facility shall only become effective with respect to the Bonds of such series if such Bonds have been successfully purchased and remarketed on the related Mandatory Purchase Date. Upon delivery of a Credit Facility with respect to a series of Bonds, together with the documents described in clause (e) below, the Trustee shall accept such Credit Facility and, upon such acceptance, such Credit Facility shall be the Credit Facility with respect to the Bonds of such series and the issuer or issuers of such Credit Facility (or any agent acting on its or their behalf) shall be the Credit Facility Provider with respect to the Bonds of such series, in each case, for all purposes of this Indenture.

(b) Mandatory Tender of Bonds in Connection with Delivery of a Credit Facility. Pursuant to and in accordance with Section 3.10, if a Credit Facility is delivered with respect a series of Bonds, those Bonds will be subject to mandatory tender on the Purchase Date determined pursuant to and in accordance with Section 3.10(a)(7).

(c) Notice of Delivery of a Credit Facility; Conditional Mandatory Tender of Bonds. The Borrower shall notify the Trustee, the Tender Agent, the Remarketing Agent and any then existing Liquidity Facility Provider or Credit Facility Provider of the proposed delivery of a Credit Facility for a series of Bonds and the related Credit Facility Date at least 20 days prior to such Credit Facility Date. The Trustee shall give notice to the Holders of the Bonds of such series (at their addresses as they appear on the registration books of the Trustee as of the date of such notice), by Electronic Notice, confirmed by first class mail, of the proposed delivery of a Credit Facility and the related Credit Facility Date at least 15 days prior to such Credit Facility Date. Such notice shall also constitute the notice of mandatory tender of the Bonds of such series on the related Credit Facility Date; provided, however, that in addition to the information required by Section 3.10(d), such notice shall state that such mandatory tender of the Bonds of such series will not occur if, on or prior to the proposed Credit Facility Date, the Tender Agent does not receive such Credit Facility, together with the Supporting Credit Facility Documents (as defined in paragraph (e) below). If, by reason of the conditions to such mandatory tender of such Bonds (as stated in such notice), there is no mandatory tender of such Bonds on the proposed Credit Facility Date, (1) the Tender Agent shall so notify the Trustee, (2) the Trustee shall so notify the Holders of such Bonds (at their addresses as they appear on the registration books of the Trustee as of the date of such notice) by Electronic Notice, confirmed by first class mail, and (3) the Tender Agent shall return to their Holders any such Bonds tendered to the Tender Agent in connection with such mandatory tender of such Bonds.

(d) The Borrower may elect at any time (1) to permit a Credit Facility to expire without delivering a new Credit Facility, or (2) to terminate a Credit Facility prior to its expiration.

(e) Supporting Credit Facility Documents. In connection with the delivery of a Credit Facility for a series of Bonds, the Borrower shall deliver, or shall cause to be delivered, the following documents (the "*Supporting Credit Facility Documents*"):

(1) written consent of the Liquidity Facility Provider, if any;

(2) written evidence from each Rating Agency then maintaining a rating on such Bonds of the rating to be assigned by such Rating Agency to such Bonds following the delivery of the Credit Facility with respect to such Bonds (unless the Borrower determines that such ratings are not necessary for the remarketing of the Bonds);

(3) a written Opinion of Counsel, addressed to the Trustee and the Tender Agent, to the effect that such Credit Facility is the legal, valid and binding obligation of the issuer or issuers thereof, enforceable against such issuer or issuers in accordance with its terms (subject to customary exceptions relating to bankruptcy, insolvency and rights of creditors generally and to specific performance and equitable remedies);

(4) an Opinion of Bond Counsel to the effect that the delivery of the Credit Facility with respect to such Bonds will not, in and of itself, cause the interest on such Bonds to be includable in the gross income of Holders for purposes of federal income taxation; and

(5) if applicable, the written acknowledgment of the Credit Facility Provider with respect to the Credit Facility then in effect with respect to such Bonds that all conditions precedent to termination of such existing Credit Facility that are contained in such Credit Facility or the Credit Facility Agreement relating thereto have been fulfilled (or provision satisfactory to such Credit Facility Provider has been made for such fulfillment).

(f) Trustee shall not terminate or reduce the amounts available under a Credit Facility except by reason of (1) the redemption, cancellation and/or defeasance of Bonds to which such Credit Facility relates, or (2) the conversion of such Bonds to an Interest Rate Mode which is not covered by such Credit Facility. Notwithstanding the foregoing, the Borrower may elect to terminate a Credit Facility at any time in accordance with the terms of the related Credit Facility Agreement.

END OF ARTICLE III

ARTICLE IV

REVENUES; FUNDS AND ACCOUNTS; PAYMENT OF PRINCIPAL AND INTEREST

Section 4.01. Pledge and Assignment; Bond Fund. (A) Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Revenues and any other amounts (including proceeds of the sale of Bonds) held in any fund or account established pursuant to this Indenture (except the Rebate Fund and other moneys excluded from the definition of Revenues) are hereby pledged to secure the full payment of the principal of, premium, if any, and interest on the Bonds in accordance with their terms and the provisions of this Indenture and thereafter to secure the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, for a series of Bonds, to the extent of its interest in such Revenues and certain other funds or accounts established under this Indenture. Said pledge shall constitute a lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after delivery by the Trustee of the Bonds, without any physical delivery thereof or further act.

(B) The Issuer hereby transfers in trust, and assigns to the Trustee, for the benefit of the Holders from time to time of the Bonds and the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, for a series of Bonds, to the extent of its interest therein, all of the Revenues and other assets pledged in subsection (A) of this Section and all of the right, title and interest of the Issuer in the Loan Agreement (except for the Unassigned Issuer Rights). The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Issuer shall be deemed to be held, and to have been collected or received, by the Issuer as the agent of the Trustee and shall forthwith be paid by the Issuer to the Trustee. The Trustee also shall be entitled to and shall take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Issuer or separately, all of the rights of the Issuer and all of the obligations of the Borrower under the Loan Agreement.

(C) All Revenues shall be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the Bond Fund which the Trustee shall establish, maintain and hold in trust. Except as otherwise provided in Section 4.02 hereof, all moneys received by the Trustee and required to be deposited in the Redemption Account shall be promptly deposited in the Redemption Account, which the Trustee shall establish, maintain and hold in trust as provided in Section 4.02 hereof. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture.

(D) Any amount held by the Trustee in the Bond Fund on the due date for a Loan Payment under the Loan Agreement shall be credited against the installment due on such date to the extent available for such purpose under the terms of this Indenture and as described in Section 4.2(a) of the Loan Agreement.

Section 4.02. Allocation of Revenues. On or before any date on which interest or principal (whether at maturity, or by redemption or acceleration) is due, the Trustee shall transfer funds from the Bond Fund and deposit into the following respective accounts (each of which the Trustee is hereby directed and agrees to establish and maintain within the Bond Fund), the following amounts (provided, however, that the moneys received by the Trustee from any draw on the Credit Facility related to a series of Bonds to pay principal and interest on such series of Bonds shall not be deposited into the Bond Fund but shall be deposited into the Credit Facility Fund as provided in Section 4.05(c)), in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

First: to the Interest Account, the aggregate amount of interest becoming due and payable on the related Interest Payment Date or on the date of redemption or acceleration of all or a portion of the Bonds then Outstanding, until the balance in said account is equal to said aggregate amount of interest.

Second: to the Principal Account, the aggregate amount of principal becoming due and payable, if any, on the related Interest Payment Date.

Third: to the Redemption Account, the aggregate amount of principal and premium next coming due by redemption permitted or required under Article III hereof or by acceleration required under Article VI hereof.

Section 4.03. Priority of Moneys in Bond Fund and Credit Facility Fund. (A) Funds for the payment of the principal or redemption price of and interest on the Bonds shall be derived from the following sources in the order of priority indicated in each of the accounts in the Bond Fund and in the Credit Facility Fund; provided however, that amounts in the respective accounts in the Bond Fund shall be used to pay when due (whether upon redemption, acceleration, Interest Payment Date, maturity or otherwise) the principal or redemption price of and interest on the Bonds held by Holders other than the Credit Facility Provider or the Borrower prior to the payment of the principal and interest on the Bonds held by the Credit Facility Provider or the Borrower and provided further that no moneys from the Credit Facility Fund may in any circumstance be used to pay any amounts due on Credit Facility Provider Bonds:

(i) moneys paid into the Credit Facility Fund from a draw by the Trustee under the Credit Facility;

(ii) moneys paid into the Interest Account, if any, representing accrued interest received at the initial sale of the Bonds and proceeds from the investment thereof which shall be applied to the payment of interest on such Bonds and which, while a Credit Facility is then in effect, constitute Available Moneys;

(iii) moneys paid into the Bond Fund pursuant to Section 10.01(b) hereof and proceeds from the investment thereof which, while a Credit Facility is then in effect, constitute Available Moneys;

(iv) any other moneys paid into and deposited in the Bond Fund and proceeds from the investment thereof, which, while a Credit Facility is then in effect, constitute Available Moneys;

(v) any moneys paid into and deposited in the Bond Fund by the Borrower and proceeds from the investment thereof, which are not Available Moneys; and

(vi) any other moneys paid into and deposited in the Bond Fund and proceeds from the investment thereof, which are not Available Moneys.

When notified by the Borrower in writing of the intent to create Available Moneys by the aging of moneys as described in the definition of "Available Moneys" in Section 1.01, the Trustee shall establish within the Interest Account, Principal Account or Redemption Account one or more subaccounts to facilitate the calculation of the aging of moneys deposited with the Trustee until they become Available Moneys.

(B) The Trustee shall draw moneys under the Credit Facility in accordance with the terms thereof and as set forth in Section 4.05(c) hereof.

Section 4.04. [Reserved]

Section 4.05. Credit Facility; Credit Facility Fund.

(a) The Trustee shall hold and maintain the Credit Facility, if any, for a series of Bonds for the benefit of the Holders of such Bonds until such Credit Facility expires in accordance with its terms. Subject to the provisions of this Indenture, the Trustee shall enforce all terms, covenants and conditions of the Credit Facility, including payment when due of any draws on such Credit Facility, and the provisions relating to the payment of draws on, and reinstatement of amounts that may be drawn under, such Credit Facility, and will not consent to, agree to or permit any amendment or modification of such Credit Facility which would materially adversely affect the rights or security of the Holders of such Bonds then so secured. The Trustee shall be entitled to rely on an Opinion of Counsel or an officer's certificate as to whether such an amendment or modification of the Credit Facility would materially adversely affect the rights or security of such Holders of Bonds of such series. If at any time during the term of a Credit Facility any successor Trustee shall be appointed and qualified under this Indenture, the resigning or removed Trustee shall request that the Credit Facility Provider transfer such Credit Facility to the successor Trustee. If the resigning or removed Trustee fails to make this request, the successor Trustee shall do so and shall delay accepting appointment hereunder until the Credit Facility Provider assents to such request. When a Credit Facility expires in accordance with its terms or is replaced by a substitute Credit Facility, the Trustee shall immediately surrender such Credit Facility to the Credit Facility Provider, provided, however,

that the Trustee shall not surrender such Credit Facility until all draws permitted upon such Credit Facility in accordance with its terms and as required hereby shall have been funded. All provisions herein relating to the rights of any Credit Facility Provider shall be of no force and effect if there is no Credit Facility in effect with respect to the Bonds of a series and all amounts payable to the Credit Facility Provider under the Credit Facility Agreement have been satisfied.

(b) While a Credit Facility is in effect with respect to a series of Bonds, the Trustee shall, on the Business Day preceding each Interest Payment Date and Principal Payment Date for such series of Bonds, draw on the Credit Facility in accordance with the terms thereof so as to receive thereunder by 1:00 p.m. New York City time on said Interest Payment Date and Principal Payment Date, an amount, in immediately available funds, equal to the amount of interest and principal payable on such Bonds on such Interest Payment Date and Principal Payment Date. If the Credit Facility Provider fails to fund such a draw the Trustee shall promptly notify the Borrower, demand payment by the Borrower, and shall pay when due such amount of interest and principal payable on such Bonds on such Interest Payment Date and Principal Payment Date from amounts on deposit in the Bond Fund in accordance with the terms of this Indenture. The proceeds of such draws shall be deposited in the Credit Facility Fund pursuant to Section 4.01(c) hereof and shall be applied to pay principal of and interest on the related Bonds prior to the application of any other funds held by the Trustee therefor. Notwithstanding the foregoing, if the Credit Facility Provider and the Liquidity Facility Provider are the same entity, the Trustee shall not draw on the Credit Facility with respect to any payments due or made in connection with Bank Bonds. In no event shall the Trustee draw on the Credit Facility with respect to any payments made in connection with Bonds not covered by the Credit Facility or Bonds registered in the name of the Borrower or the Issuer.

(c) The Trustee shall establish, maintain and hold in trust a special fund designated as the "Credit Facility Fund" for the benefit of Holders of the applicable series of Bonds. The Trustee shall deposit in the Credit Facility Fund all moneys derived from a drawing under a Credit Facility for the purpose of paying the principal of and interest on Bonds subject to such Credit Facility when due. Moneys held in the Credit Facility Fund shall remain uninvested, be held separate and apart from all other funds and accounts and shall not be commingled with any other moneys. Moneys in the Credit Facility Fund shall be withdrawn by the Trustee from the Credit Facility Fund and applied to the payment of the principal of and interest on Bonds subject to such Credit Facility on each Principal Payment Date and Interest Payment Date for such Bonds, provided that such moneys shall not be used to pay the principal of or interest on Bonds not covered by the Credit Facility.

Section 4.06. Investment of Moneys. All moneys in any of the funds or accounts established pursuant to this Indenture shall, except as described below in this Section 4.06, be invested by the Trustee as specifically directed in writing by an Authorized Representative of the Borrower, solely in Investment Securities. Notwithstanding any other provision herein, in the absence of such written investment instructions directing the Trustee by noon of the second Business Day preceding the day when investments are to be made, the Trustee is directed to invest available funds in the money market mutual fund known as the *First American Prime Obligations Fund*. The Trustee shall not be liable for any consequences resulting from any investments made pursuant to

this Section. The Trustee shall be entitled to rely conclusively upon the Borrower's investment directions as to the fact that each such investment meets the criteria of the Indenture.

Investment Securities may be purchased at such prices as the Trustee may be directed in writing by the Borrower or its agent. All Investment Securities shall be acquired subject to the limitations set forth in Section 7.05 hereof, the limitations as to maturities hereinafter in this Section set forth and such additional limitations or requirements consistent with the foregoing as may be established by Request of the Borrower.

Except as described in the next succeeding sentence, moneys in all funds and accounts shall be invested in Investment Securities maturing not later than the date on which such moneys will be required for the purposes specified in this Indenture. Notwithstanding anything else in this Section 4.06, (i) any moneys in the Interest Account, the Principal Account or the Redemption Account held for the payment of particular Bonds (prior to the payment or redemption date thereof) shall be invested at the written direction of an Authorized Representative of the Borrower solely in direct obligations of the United States or bonds or other obligations guaranteed by the United States government or for which the full faith and credit of the United States is pledged for the full and timely payment of principal and interest thereof (or mutual funds consisting of such obligations which are rated by the Rating Agency in not less than the same rating category as direct obligations of the United States), rated in the highest rating category applicable to such investments which mature not later than the date on which it is estimated that such moneys will be required to pay such Bonds (but in any event maturing in not more than 30 days); and (ii) moneys in the Credit Facility Fund created in Section 4.05(c) shall be held uninvested.

All interest, profits and other income received from the investment of moneys in any fund (or account therein) established pursuant to this Indenture (or account therein) and allowed to be invested in accordance herewith shall be deposited in the fund (or account therein) from which such investment was made. Notwithstanding anything to the contrary contained in this paragraph, an amount of interest received with respect to any Investment Security equal to the amount of accrued interest, if any, paid as part of the purchase price of such Investment Security shall be credited to the fund (or account therein) from which such accrued interest was paid. To the extent that any Investment Securities are registrable, such Investment Securities shall be registered in the name of the Trustee or its nominee.

For the purpose of determining the amount in any fund (or account therein), all Investment Securities credited to such fund (or account therein) shall be valued at the lesser of cost or par value plus, prior to the first payment of interest following purchase, the amount of accrued interest, if any, paid as a part of the purchase price of such Investment Security.

Subject to Section 7.06 hereof, investments in any and all funds and accounts (other than moneys representing the proceeds of a draw on the Liquidity Facility or the Credit Facility or held in the Purchase Fund or Credit Facility Fund, remarketing proceeds, Available Moneys, moneys being aged to become Available Moneys, or moneys held for the payment of particular Bonds (including moneys held for non-presented or Undelivered Bonds or held under Section 10.03

hereof)) may be commingled for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in particular funds and accounts amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Indenture. Subject to Section 7.05 hereof, any moneys invested in accordance with this Section may be invested in a pooled investment account consisting solely of funds held by the Trustee as a fiduciary. The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer the right to receive brokerage confirmations of security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee may act as principal or agent in the making or disposing of any investment. The Trustee may sell or present for redemption any Investment Securities so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund (or account therein) to which such Investment Security is credited, and the Trustee shall not be liable or responsible for any loss or tax resulting from such investment.

Provided that the Trustee makes investments pursuant to the instructions as provided herein, the Trustee shall not be liable or responsible for the Bonds being "arbitrage bonds" within the meaning of the Code.

Section 4.07. Covenants Regarding Rebate.

(a) A special Rebate Fund is hereby established by the Issuer. The Rebate Fund shall be for the sole benefit of the United States of America and shall not be subject to the claim of any other person, including without limitation the Bondholders. The Rebate Fund is established for the purpose of complying with section 148 of the Code and the Treasury Regulations promulgated pursuant thereto. The money deposited in the Rebate Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in this section. The Rebate Fund is not subject to the lien of this Indenture. Notwithstanding the foregoing, the Trustee with respect to the Rebate Fund is afforded all the rights, protections and immunities otherwise accorded to it hereunder.

(b) Within ten days after the close of each "Bond Year," the Borrower shall deliver to the Trustee a computation in the form of a certificate of an Authorized Representative of the Borrower of the amount of "Excess Earnings," if any, for the period beginning on the date of delivery of the Bonds and ending at the close of such "Bond Year" and the Borrower shall pay to the Trustee for deposit into the Rebate Fund an amount equal to the difference, if any, between the amount then in the Rebate Fund and the Excess Earnings so computed. The term "Bond Year" means with respect to the Bonds each one-year period ending on the anniversary of the date of delivery of the Bonds or such other period as may be elected by the Issuer at the direction of the company in accordance with the Regulations and notice of which election has been given to the Trustee. If, at the close of any Bond Year, the amount in the Rebate Fund exceeds the amount that would be required to be paid to the United States of America under paragraph (d) below if the Bonds had been paid in full, such excess may be transferred from the Rebate Fund and paid to the Credit

Facility Provider and to the Liquidity Facility Provider to the extent, if any, that the Credit Facility Provider or the Liquidity Facility Provider have not been fully reimbursed under the Credit Facility Agreement or Liquidity Facility Agreement, and, thereafter to the Borrower, and the Borrower shall use for such purposes for which, or to be redeposited to such fund from which, such amounts were originally derived.

- (c) In general, "Excess Earnings" for any period of time means the sum of
 - (i) the excess of --
 - (A) the aggregate amount earned during such period of time on all "Nonpurpose Investments" (including gains on the disposition of such Obligations) in which "Gross Proceeds" of the issue are invested (other than amounts attributable to an excess described in this subparagraph (c)(i), over
 - (B) the amount that would have been earned during such period of time if the "Yield" on such Nonpurpose Investments (other than amounts attributable to an excess described in this subparagraph (c)(i)) had been equal to the yield on the issue, plus
 - (ii) any income during such period of time attributable to the excess described in subparagraph (c)(i) above.

The terms Nonpurpose Investments, Gross Proceeds, and Yield shall have the meanings given to such terms in section 148 of the Code and the Regulations promulgated pursuant to such section.

(d) The Trustee shall pay to the United States of America at least once every five years, to the extent that funds are available in the Rebate Fund or otherwise provided by the Borrower, an amount that ensures that at least 90 percent of the Excess Earnings from the date of delivery of the Bonds to the close of the period for which the payment is being made will have been paid. The Trustee shall pay to the United States of America not later than 60 days after the Bonds have been paid in full, to the extent that funds are available in the Rebate Fund or otherwise provided by the Borrower, 100 percent of the amount then required to be paid under section 148(f) of the Code as a result of Excess Earnings, unless the Bonds qualify for the exception to rebate set forth in Section 148(f)(4)(B) of the Code or the Regulations thereunder.

(e) The amounts to be computed, paid, deposited or disbursed under this section shall be determined by the Borrower acting on behalf of the Issuer within ten days after (i) each Bond Year after the date of issuance of the Bonds and (ii) the date on which the Bonds have been paid in full, unless the Trustee shall have been provided an Approving Opinion with respect to the noncompliance with such requirements. By such date, the Borrower shall also notify, in writing, the Trustee and the Issuer of the determinations the Borrower has made and the payment to be made

pursuant to the provisions of this section. All such determinations shall be conclusive and binding on the Trustee and the Issuer.

(f) The Trustee shall maintain a record of the periodic determinations by the Borrower of the Excess Earnings for a period beginning on the first anniversary date of the issuance of the Bonds and ending on the date of the final retirement of the Bonds. Such records shall state each such anniversary date and contain a summary prepared by the Borrower of the manner in which the Excess Earnings, if any, was determined.

(g) If the Trustee shall declare the principal of the Bonds and the interest accrued thereon immediately due and payable as the result of an Event of Default specified in the Indenture, or if the Bonds are optionally or mandatorily prepaid or redeemed prior to maturity as a whole in accordance with their terms, any amount remaining in any of the funds, other than amounts in the Credit Facility Fund, shall be transferred to the Rebate Fund to the extent that the amount therein is less than the Excess Earnings computed by the Borrower as of the date of such acceleration or redemption, and the balance of such amount shall be used immediately by the Trustee for the purpose of paying principal of, redemption premium, if any, and interest on the Bonds when due. In furtherance of such intention, the Issuer hereby authorizes and directs its President to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(h) The Trustee may conclusively rely on the instructions of the Borrower with regard to any actions to be taken by it pursuant to this Section and shall have no liability for any consequences of any failure of the Borrower to perform its duties or obligations or to supply accurate or sufficient instructions. Except as specifically provided in this Section, the Trustee shall have no duty or responsibility with respect to the Rebate Fund or the Borrower's duties and responsibilities with respect thereto except to follow the Borrower's specific written instructions related thereto.

END OF ARTICLE IV

ARTICLE V

GENERAL COVENANTS

Section 5.01. Required and Optional Liquidity Payments.

(a) Required Liquidity Payments. The Borrower will duly and punctually pay or cause to be paid to the Trustee, for deposit into the Purchase Fund pertaining to the Bonds, as and when due, and in the amounts required to provide moneys for the payment of the Purchase Price of Bonds tendered and/or deemed tendered for purchase and not remarketed pursuant to the terms of the Indenture on the following dates:

- (1) each Bank Purchase Date;
- (2) each Purchase Date for Variable Rate Bonds if a Liquidity Facility is not in effect with respect to such Bonds or if a Liquidity Facility is in effect and the Liquidity Facility Provider fails to perform thereunder;
- (3) each Short-Term Rate Mandatory Purchase Date if a Liquidity Facility is not in effect with respect to such Bonds or if a Liquidity Facility is in effect and the Liquidity Facility Provider fails to perform thereunder; and
- (4) each Long-Term Rate Mandatory Purchase Date if a Liquidity Facility is not in effect with respect to such Bonds or if a Liquidity Facility is in effect and the Liquidity Facility Provider fails to perform thereunder.

Collectively, (1) through (4) above are referred to as the "Required Liquidity Payments."

(b) Optional Liquidity Payments. The Borrower may elect, in its discretion, to pay amounts required to provide moneys for the payment of the Purchase Price of Bonds tendered and/or deemed tendered for purchase and not remarketed pursuant to the terms of the Indenture on the following Purchase Dates:

- (1) a Borrower Elective Purchase Date;
- (2) a Liquidity Facility Date or a Credit Facility Date; and
- (3) a Purchase Date where a Liquidity Facility is in effect with respect to the Bonds and the Liquidity Facility Provider has failed to provide funds for such purchase.

Collectively, (1) through (3) above are referred to as the "Optional Liquidity Payments."

(c) The failure of the Borrower to make a Required Liquidity Payment as and when due shall constitute an Event of Default. The failure of the Borrower to make an Optional Liquidity Payment as and when needed shall not constitute an Event of Default.

END OF ARTICLE V

ARTICLE VI
EVENTS OF DEFAULT AND REMEDIES OF HOLDERS

Section 6.01. Events of Default. Each of the following events which has occurred and is continuing shall constitute an "Event of Default" hereunder:

(A) default in the due and punctual payment of the principal of, or premium (if any) on, any Bond of a series, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise;

(B) default in the due and punctual payment of any installment of interest on, or the Purchase Price of, any Bond of a series;

(C) failure by the Issuer to perform or observe any other of the covenants, agreements or conditions on its part contained in this Indenture or in the Bonds of any series, and the continuation of such failure for a period of sixty (60) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Issuer, the Credit Facility Provider, if any, the Liquidity Facility Provider, if any, and the Borrower by the Trustee, or to the Issuer, the Credit Facility Provider, if any, the Liquidity Facility Provider, if any, the Borrower and the Trustee by the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds of the affected series at the time Outstanding;

(D) the occurrence and continuance of an "Event of Default" described in Section 7.1 of the Agreement;

(E) if applicable, receipt by the Trustee of written notice from the Credit Facility Provider that either (i) an Event of Default (as defined in the Credit Facility Agreement) has occurred under the Credit Facility Agreement and directing the Trustee to accelerate the Bonds of the affected series or (ii) the interest component of the Credit Facility will not be reinstated by the Credit Facility Provider;

(F) failure to make Required Liquidity Payments pursuant to Section 5.01(a) hereof on any of the Bonds of a series when the same shall become due and payable; or

(G) during an Index Rate Period, or in the event any Bonds of a series constitute Unremarketed Bonds, the Trustee shall receive a written notice from the Bank that an event of default has occurred under the Agreement, which notice may in addition instruct the Trustee to accelerate the Bonds of such series.

The Trustee shall, as soon as is practicable, but in any event within five days, send notice to the Borrower, the Bank, if any, the Liquidity Facility Providers, if any, and the Credit Facility Providers, if any, of the occurrence of any Event of Default of which the Trustee has actual

knowledge; provided that the Trustee shall be deemed to have actual knowledge of any Event of Default under Section 6.01(A), (B), (F) and (G) on the day of any such Event of Default.

Section 6.02. Acceleration of Maturities; Other Remedies.

(a) Upon the occurrence and during the continuation of any (i) an Event of Default under Section 6.01(A), (B), (E), (F), and (G) above), the Trustee shall, or (ii) any other Event of Default, the Trustee may, with the prior written consent of the Bank, if any, or the Credit Facility Provider, if any, and shall, at the written direction of the Holders of 50% in aggregate principal amount of the Bonds of the affected series then-outstanding and shall at the written direction of the Bank, if any, declare the principal of the Bonds of such series then-outstanding to be immediately due and payable, whereupon that portion of the principal of the Bonds of such series thereby coming due and the interest thereon accrued to the date of payment shall without further action, become and be immediately due and payable, anything in this Indenture or in such Bonds to the contrary notwithstanding. Upon any declaration of acceleration hereunder, the Trustee shall, if a Credit Facility or Liquidity Facility is then in effect, no later than three (3) Business Days after such declaration, draw under the Credit Facility to the fullest extent permitted by the terms thereof to pay the principal of, and accrued interest on, the Bonds of such series, and shall make such payment no later than four (4) Business Days after such declaration. Upon such payment, interest on the Bonds of such series shall cease to accrue.

(b) Any such declaration, however, is subject to the condition that if, at any time after such declaration and before any final judgment or decree in any suit, action or other proceeding instituted for the payment of the moneys due shall have been obtained or entered, the Borrower shall deposit with the Trustee a sum sufficient to pay all the principal or Redemption Price of and installments of interest on the applicable Bonds payment of which is overdue, with interest on such overdue principal at the rate borne by the respective Bonds, and the reasonable charges and expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on such Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Holders of more than 50% in aggregate principal amount of the Bonds of the affected series then Outstanding, by written notice to the Trustee, the Liquidity Facility Providers, if any, and the Credit Facility Providers, if any, or the Trustee may, on behalf of the Holders of all of the Bonds of such series, and in any event upon the written consent of the Bank, if any, rescind and annul such declaration and its consequences and waive such default; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon, and no such rescission and annulment shall be effective unless the Credit Facility Provider, if any, (i) rescinds any notice of default or non-reinstatement of its Credit Facility that may have been provided to the Trustee and (ii) fully reinstates its Credit Facility.

(c) Upon the occurrence and during the continuation of an Event of Default, the Trustee may, with the prior written consent of the Bank, and upon the written direction of the Bank, if any, or otherwise the Holders of more than 50% in aggregate principal amount of the Bonds of the

affected series then Outstanding shall, take whatever action at law or in equity it deems, or such Holders deem, necessary or desirable (1) to collect any amounts then due under this Indenture or such Bonds, (2) to enforce performance of any obligation, agreement or covenant of the Issuer or the Borrower under this Indenture, the Bonds, the Loan Agreement, or the Tax Agreement, or (3) to otherwise enforce any of its rights.

(d) If a Credit Facility with respect to a series of Bonds, and the provider thereof has failed to honor its payment obligations under the Credit Facility, twenty five percent (25%) of the Holders of Bonds enhanced by such Credit Facility (excluding Bonds owned by the Issuer or the Borrower and Bank Bonds), shall have the right at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Credit Facility, or any other proceedings thereunder; provided that such direction shall be in accordance with applicable law.

Section 6.03. Application of Moneys and Other Funds after Default. If an Event of Default shall occur and be continuing, all funds then held or thereafter received by the Trustee under any of the provisions of this Indenture and except for moneys on deposit in the Purchase Fund and the Credit Facility Fund, and the accounts therein but otherwise without regard to the fund or account to which the same is deposited or credited) shall be applied by the Trustee as follows and in the following order:

(a) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Holders of the Bonds of the affected series and payment of reasonable fees, charges and expenses of the Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Indenture;

(b) To the payment of the principal or Redemption Price of and interest then due on the applicable Bonds (upon presentation of such Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof, if fully paid), Reimbursement Obligations and other amounts payable under each Credit Facility Agreement subject to the provisions of this Indenture, as follows:

(1) Unless the principal of all Bonds of the applicable series shall have become or have been declared due and payable:

First: To the payment to the persons entitled thereto of all installments of interest then due and payable in the order of the maturity of such installments and to each Credit Facility Provider of all Reimbursement Obligations relating to drawings under the applicable Credit Facility to pay interest on the Bonds of such series, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date and such Reimbursement Obligations, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto and the Credit Facility Provider, without any discrimination or

preference (including any discrimination or preference based upon series), except as to any difference in the respective rates of interest specified in the applicable Bonds;

Second: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds of the affected series or to each Credit Facility Provider of all Reimbursement Obligations relating to drawings under the applicable Credit Facility Agreement to pay principal or the Redemption Price of Bonds, in each case, which shall have become due and payable, whether at maturity or by call for redemption, in the order of their due dates, with interest on the overdue principal at the rate borne by the respective Bonds from the respective dates upon which such Bonds became due and payable, and, if the amount available shall not be sufficient to pay in full all the principal or Redemption Price of the Bonds of such series or such Reimbursement Obligations due on any date, together with such interest, then to the payment first of such interest, ratably, according to the amount of interest due on such date, and then to the payment of such principal, Redemption Price or Reimbursement Obligation, ratably, according to the amounts of principal, Redemption Price or Reimbursement Obligation due on such date to the persons entitled thereto or the Credit Facility Provider, without any discrimination or preference (including any discrimination or preference based upon series), except as to any difference in the respective rates of interest specified in the Bonds; and

Third: To the payment of the interest on and the principal or Redemption Price of the Bonds of the affected series, the purchase and retirement of such Bonds and to the redemption of such Bonds, all in accordance with the provisions of this Indenture (other than Section 3.02).

(2) If the principal of all of the Bonds of a series shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon such Bonds, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond and to the payment of any and all Reimbursement Obligations, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto and the Credit Facility Provider without any discrimination or preference (including any discrimination or preference based upon series), except as to any difference in the respective rates of interest specified in the Bonds;

(3) Ratably, to the payment of any obligations owing to the Holders of Bonds bearing interest at the Index Rate or the Purchaser Rate (to the extent not required to be paid at a higher level of priority) and to the payment of amount or obligations (other than Reimbursement Obligations, if any, due and owing to any Credit Facility Provider under the Credit Facility Agreement; and

(4) To the payment of any amounts due to the Issuer or the Borrower under this Indenture.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Holder of Bonds of any remedy hereunder or under law, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Holders of Bonds, or to enforce any right under this Indenture, the Act or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit and protection of all Holders of the Outstanding Bonds of the applicable series, subject to the provisions of this Indenture.

Section 6.04. Trustee to Represent Holders. The Trustee is hereby irrevocably appointed (and the successive respective Holders of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Holders of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Holders under the provisions of the Bonds, this Indenture, the Obligations, the Act and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Holders of a series of Bonds, the Trustee in its discretion may, with the prior written consent of the Bank, and upon the direction of the Bank, if any, or otherwise the written request of the Holders of more than 50% in aggregate principal amount of a series of Bonds then Outstanding, shall proceed to protect or enforce its rights or the rights of the Holders of the Bonds of such series by such appropriate action, suit, mandamus or other proceedings as it or the Holders of more than 50% in aggregate principal amount of a series of Bonds then Outstanding shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or the Holders of the Bonds of such series under this Indenture, the Act or any other law; and the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the funds and other assets pledged under this Indenture or the Bonds. If more than one such request is received by the Trustee from Holders of the Bonds of a series, the Trustee shall follow the written request executed by the Holders of such series of the greater percentage of Bonds then Outstanding in excess of 50%. All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Holders of such Bonds, subject to the provisions of this Indenture.

Section 6.05. Holders' Direction of Proceedings. The Bank, if any, or otherwise the Holders of more than 50% in aggregate principal amount of the Bonds of a series then Outstanding, shall be entitled (provided that the Trustee shall have the right to decline to follow any such

direction which in the opinion of the Trustee would be unjustly prejudicial to Holders not parties to such direction), by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to control and direct the enforcement of all rights and remedies granted to the Holders or the Trustee for the benefit of the Holders under this Indenture, including, without limitation, (a) the right to accelerate the principal of the Bonds of a series as described in this Indenture, and (b) the right to annul any declaration of acceleration. Notwithstanding the foregoing or any other provision of this Indenture, during any Index Rate Period, the Bank shall be entitled to exercise all of the powers, consents, rights and remedies to which the Holders of a majority in aggregate principal amount of Bonds of a series then Outstanding are entitled hereunder, including the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings on behalf of the Holders available to the Trustee under this Indenture to be taken in connection with the enforcement of the terms of this Indenture or exercising any trust or power conferred on the Trustee by this Indenture.

Section 6.06. Limitation on Holders' Right to Sue. No Holder of any Bond shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture, the Act or any other applicable law with respect to such Bond unless (a) such Holder (or the Bank during any Index Rate Period) previously shall have given to the Trustee written notice of the occurrence of an Event of Default; (b) the Holders (or the Bank during any Index Rate Period) of more than 50% in aggregate principal amount of the Bonds of a series then Outstanding shall have made a written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) such Holders (or the Bank during any Index Rate Period) shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Holder of Bonds of any remedy hereunder or under law, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Holders of Bonds, or to enforce any right under this Indenture, the Act or other applicable law with respect to the Bonds of a series, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit and protection of all Holders of the Outstanding Bonds of a series, subject to the provisions of this Indenture.

Section 6.07. Right of Sole Holder or Beneficial Owner to Require Assignment by Trustee. At any time during an Index Rate Period, upon the occurrence and during the continuance of an Event of Default, the Bank, if it is then the sole Holder or Beneficial Owner of all of the Bonds of a series then Outstanding, shall have the right, at its option, exercised by delivery of a written instrument to the Trustee with a copy to the Issuer and the Borrower, to require the Trustee to assign

to such Holder or Beneficial Owner all of the rights, powers, and prerogatives of the Trustee under the Indenture to enforce the provisions of this Indenture, exercise any remedies and otherwise take actions and institute proceedings for the benefit of and on behalf of the Holders and the Beneficial Owners of such series of Bonds, and the Trustee covenants and agrees that upon its release and indemnification with respect to any action or failure to act of such Holder or Beneficial Owner subsequent to the aforesaid assignment, it shall execute and deliver all such documents as are necessary to accomplish the foregoing and vest such rights, remedies and title in such Holder or Beneficial Owner.

END OF ARTICLE VI

ARTICLE VII
PARTICULAR COVENANTS

Section 7.01. Punctual Payment of Bonds; Fees of Issuer. The Issuer shall punctually pay or cause to be paid the principal, premium, if any, and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Indenture and nothing in the Bonds or in this Indenture shall be construed as pledging any other funds or assets of the Issuer. When and as paid in full, all Bonds, if any, shall be delivered to the Trustee, shall forthwith be canceled, and a certificate of such cancellation shall thereafter be delivered to the Issuer. Neither the State nor the Issuer nor any political subdivision of the State shall in any event be liable for the payment of the principal of, redemption premium, if any, interest on, or Purchase Price of any of the Bonds or for the performance of any pledge, obligation or agreement undertaken by the Issuer except to the extent that moneys pledged herein are sufficient therefor.

Anything herein to the contrary notwithstanding, the Bonds and the obligation to pay interest thereon and redemption premiums with respect thereto, are special, limited obligations of the Issuer secured by the Loan Agreement, to the extent provided herein, and shall always be payable solely from the Revenues and income derived from the Loan Agreement (except to the extent paid out of moneys attributable to proceeds of the Bonds or the income from the temporary investment thereof) and, to the extent provided herein, the Credit Facility, if any. The Bonds shall always be a valid claim of the Owners thereof only against the Revenues and income derived from the Loan Agreement and the Credit Facility, if any, which Revenues and income shall be used for no other purpose than to pay the principal installments of, redemption premium, if any, and interest on the Bonds, except as may be expressly authorized otherwise in this Indenture and in the Loan Agreement. The Bonds shall not be deemed to constitute a debt or liability of the Issuer, the City or State of Texas or of any political subdivision thereof, but shall be payable solely from the funds provided under and in the manner and upon the priority set forth in this Indenture. The issuance of the Bonds under the provisions of the Act shall not, directly or indirectly or contingently, obligate the Issuer, the City, the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. Neither the State nor the City shall in any event be liable for the payment of the principal of or interest or premiums, if any, on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever undertaken by the Issuer. No breach of any such pledge, obligation or agreement may impose any pecuniary liability upon the State or the City or any charge upon their general credit or against the taxing power of the State. Neither the Issuer nor the City has any taxing power.

No recourse shall be had for the payment of the principal of, redemption premium, if any, or interest on or Purchase Price of any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this Indenture or the Loan Agreement against any past, present or future incorporator, member, officer, agent, employee, director or trustee of the

Issuer, or any incorporator, member, officer, agent, employee, director or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, member, officer, agent, employee, director or trustee as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture or the Loan Agreement and the issuance of the Bonds.

The Issuer shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably made or incurred by the Trustee, the Bond Registrar and the Issuer in connection with such services and in connection with entering into this Indenture, including any such fees and expenses incurred in connection with action taken hereunder. The Issuer shall not be obligated to execute any documents or take any other action under or pursuant to this Indenture, the Loan Agreement or any other document in connection with the Bonds unless and until provision for the payment of expenses of the Issuer, including legal counsel fees, shall have been made. Provisions for expenses shall be deemed to have been made upon arrangements reasonably satisfactory to the Issuer for the provision of expenses being agreed upon by the Issuer and the party requesting such execution.

Section 7.02. Extension of Payment of Bonds. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Issuer to issue bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of Bonds. The provisions of this Section shall not apply if the maturity of all of the Bonds is extended in accordance with the provisions of Section 9.01(A) hereof.

Section 7.03. Against Encumbrances. The Issuer shall not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture. Subject to this limitation, the Issuer expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, and reserves the right to issue other obligations for such purposes.

Section 7.04. Performance of Covenants; Authority. The Issuer is duly authorized pursuant to law to issue the Bonds and to enter into this Indenture and to pledge and assign the Revenues and other assets purported to be pledged and assigned, respectively, under this Indenture in the manner and to the extent provided in this Indenture. The Issuer covenants that it will faithfully perform on its part at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered

hereunder and in all of its proceedings pertaining thereto; provided, however, that except for the matters set forth in any documents hereof relating to payment of the Bonds, the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof until it shall have been requested to do so by the Borrower or by the Trustee, or shall have received the instrument to be executed and at the option of the Issuer shall have received from the party requesting such execution assurance satisfactory to the Issuer that the Issuer shall be reimbursed for its reasonable expenses, including legal counsel fees, incurred or to be incurred in connection with taking such action or executing such instrument. The Issuer covenants that it is duly authorized under the Constitution and the laws of the State, including particularly the Act and the resolution of the Issuer authorizing the issuance of the Bonds to issue the Bonds authorized hereby and to execute this Indenture, to grant the security interest herein provided, to assign and pledge the Loan Agreement (except as otherwise provided herein) and to assign and pledge the amounts hereby assigned and pledged in the manner and to the extent herein set forth, that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken, and that the Bonds in the hands of the owners thereof are and will be valid and enforceable obligations of the Issuer according to the terms thereof and hereof. Anything contained in this Indenture to the contrary notwithstanding, it is hereby understood that none of the covenants of the Issuer contained in this Indenture are intended to create a general or primary obligation of the Issuer.

Section 7.05. Accounting Records and Reports. The Trustee shall keep or cause to be kept proper books of record and account in which complete and correct entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the Revenues, the proceeds of the Bonds and all funds and accounts established by or pursuant to this Indenture. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Trustee is to be allocated and shall set forth, in the case of each Investment Security, (a) its purchase price, (b) identifying information, including par amount, coupon rate, and payment dates, (c) the amount received at maturity or its sale price, as the case may be, (d) the amounts and dates of any payments made with respect thereto, and (e) such documentation as is required to be retained by the Trustee as evidence to establish that any requirements set forth in the Tax Letter of Representation or with respect to establishing market price, to the extent provided to it. Such records shall be open to inspection by any Holder, the Borrower and the Credit Facility Provider and Liquidity Facility Provider, if any, at any reasonable time during regular business hours on reasonable notice.

Not later than 30 days after the end of each calendar year, commencing with the end of the calendar year 2013, the Trustee will prepare and file with the Issuer a statement setting forth, with respect to the preceding year and the current year, (1) amounts withdrawn from and deposited in each fund and account relating to the Bonds hereunder, (2) the balance on deposit in each such fund or account relating to the Bonds at the end of each period for which such statement is prepared, (3) a brief description of all obligations held as investments in each such fund or account relating to the Bonds, (4) the amount applied to the redemption of the Bonds, a description of the Bonds or portions of Bonds so redeemed, and an accounting of the Bonds of each maturity outstanding, and (5) any

other information that the Issuer may reasonably request or that the Trustee may from time to time deem appropriate.

Section 7.06. Arbitrage Covenants. Subject to the limitations on its liability as stated herein, the Issuer covenants and agrees that it has not knowingly engaged and will not knowingly engage in any activities and that it has not knowingly taken and will not knowingly take any action which might result in any interest on the Bonds becoming includable in the gross income of the owners thereof for purposes of federal income taxation.

Section 7.07. Other Covenants. (A) Subject to the Trustee's rights contained in Section 8.01, the Trustee shall promptly collect all amounts due from the Borrower pursuant to the Loan Agreement, and shall perform all duties imposed upon it pursuant to the Loan Agreement and this Indenture.

(B) The Issuer shall not purchase Bonds from the Remarketing Agent or otherwise.

Section 7.08. [Reserved].

Section 7.09. Further Assurances; Recordation. Pursuant to Chapter 1208.002(2), Texas Government Code, as amended, any security interests created by this Indenture shall be automatically perfected from the time this Indenture is entered into or adopted, and shall remain perfected continuously through the termination of this Indenture in accordance with the terms set forth herein, all without physical delivery or transfer of control of any assets, filing of a document, or another act. Therefore, it shall not be necessary for the Trustee or the Issuer to file any financing statements or continuation statements or any supplemental instruments or documents or further assurance in any manner in order to perfect or maintain perfection of any security interests created by this Indenture. If Texas law is amended at any time while any Bonds are outstanding and unpaid such that the security interest created by this Indenture is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of such security interest, the Issuer, the Trustee and the Borrower, at the expense of the Borrower, agree to take such measures as they determine are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest created by this Indenture.

Section 7.10. Continuing Disclosure. Pursuant to Section 5.8 of the Loan Agreement, the Borrower has covenanted and agreed to undertake all responsibility for compliance with any applicable continuing disclosure requirements. Neither the Issuer nor the Trustee shall have any liability to the Holders of the Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Indenture, failure of the Borrower to comply with any Continuing Disclosure Agreement shall not be considered an Event of Default hereunder or a Loan Default Event under the Loan Agreement and may not result in the acceleration of the maturity of the Bonds or of the Loan Agreement; provided that the Trustee may (and, at the request of the Holders of at least 25% in aggregate principal amount of Outstanding Bonds and upon being indemnified to its satisfaction therefor shall) or any Bondholder or Beneficial Owner may take such

actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Borrower to comply with their obligations under Section 5.8 of the Loan Agreement or the Continuing Disclosure Agreement. For purposes of this Section, "Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or give consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through any nominees, depositories or other intermediaries).

END OF ARTICLE VII

ARTICLE VIII
THE TRUSTEE, THE PAYING AGENT, AND THE BOND REGISTRAR

Section 8.01. Duties, Immunities, Liabilities and Representations of Trustee. (A) The Trustee shall, prior to an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as prudent persons would exercise or use under the circumstances in the conduct of their own affairs. Notwithstanding any other provision of this Indenture, the Trustee shall perform all duties required of it hereunder, but shall not be required to risk its own funds or otherwise incur financial liability.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action or its own negligent failure to act, except that:

(1) Prior to such an Event of Default hereunder and after the curing of all Events of Default which may have occurred,

(a) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied duties, covenants or obligations shall be read into this Indenture against the Trustee; and

(b) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee conforming to the requirements of this Indenture; but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not it conforms to the requirements of this Indenture; and

(2) At all times, regardless of whether or not any Event of Default shall exist,

(a) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, director or employee of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(b) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority, or such smaller or larger percentage as may be required

hereunder, in aggregate principal amount of the Bonds at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers other than to notify the Issuer that it intends to take no particular action or to notify the Bondholders that it will take no action, if it has reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it. All indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers, employees and agents of the Trustee.

(B) The Issuer shall remove the Trustee at any time (1) upon Request of the Borrower (provided there is no Loan Default Event existing under the Loan Agreement), but only upon the Issuer's written consent, (2) if requested to do so by an instrument or concurrent instruments in writing signed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (3) if the Trustee shall cease to be eligible in accordance with subsection (E) of this Section, or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee, and thereupon the Issuer shall appoint, at the direction of the Borrower, a successor Trustee by an instrument in writing.

(C) The Trustee may at any time resign by giving written notice of such resignation to the Borrower and the Issuer and by giving the Bondholders notice of such resignation by mail at the addresses shown on the registration books maintained by the Trustee. Upon receiving such notice of resignation, the Issuer shall promptly appoint (at the direction of the Borrower so long as no Loan Default Event is then existing under Section 7.1(a), (b), (c) or (d) of the Loan Agreement) a successor Trustee by an instrument in writing. The Trustee shall not be relieved of its duties until such successor Trustee has accepted appointment.

(D) Any removal or resignation of the Trustee pursuant to (B) or (C) above and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Bondholder (on behalf of itself and all other Bondholders) may, at the expense of the Borrower, petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing and delivering to the Borrower, the Issuer and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the

moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the request of the Issuer or the Borrower or at the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the Borrower or at the request of the successor Trustee, the Issuer shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, such successor Trustee shall mail a notice of the succession of such Trustee to the trusts hereunder to each Rating Agency which is then rating the Bonds, to the Bondholders at the addresses shown on the registration books maintained by the Trustee, and to the Credit Facility Provider and the Liquidity Facility Provider, if any.

(E) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a trust company, bank or corporation having the powers of a trust company which has a combined capital and surplus of at least fifty million dollars (\$50,000,000), and is subject to supervision or examination by federal or state authority. If such bank, trust company or corporation publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank, trust company or corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (E), the Trustee shall resign immediately in the manner and with the effect specified in this Section. The Trustee or the bank, trust company or bank holding company of which the Trustee is a wholly-owned subsidiary shall have a rating of at least Moody's "Baa/P-3," or, if the Bonds are rated by S&P, an equivalent rating from S&P, or otherwise be acceptable to the Rating Agency then rating the Bonds.

(F) The Trustee is not responsible for effecting, maintaining or renewing any policies of insurance or for any representations regarding the sufficiency of any policy of insurance.

(G) The Trustee is not responsible for filing financing or continuation statements.

(H) Subject to the provisions of Sections 4.07 and 10.03 hereof, all moneys received by the Trustee and the Tender Agent shall, until used or applied as herein provided, be held in trust for the purposes for which they were received and, except as provided below, need not be segregated from other funds. Moneys representing the proceeds of draws on the Liquidity Facility or the Credit Facility or held in the Purchase Fund or the Credit Facility Fund, all Available Moneys, all remarketing proceeds, all moneys being aged to become Available Moneys, all moneys held for the payment of particular Bonds and otherwise to the extent required by law or by this Indenture shall

be held by the Trustee and the Tender Agent in separate and segregated accounts as provided herein. In addition, the Credit Facility Fund and the account or accounts into which remarketing proceeds are deposited shall at all times meet the requirements of an Eligible Account; however, in the event that the Credit Facility Fund or the account into which remarketing proceeds are deposited no longer complies with the requirements of an Eligible Account, the Trustee should promptly (and, in any case, within not more than 30 calendar days) move such account to another financial institution such that the Eligible Account requirement will again be satisfied. The Trustee and the Tender Agent shall be under no liability for interest on any moneys received by them hereunder except as provided in Section 4.06 hereof. Any moneys held by the Trustee or the Tender Agent shall be invested as provided in Section 4.06 hereof.

(I) The Trustee shall not be responsible for monitoring or reviewing the Borrower's insurance or be obligated to file claims or proofs of loss in the case of insurance, or to pay taxes or assessments.

(J) The Trustee makes the following representations to the Issuer:

(1) Assuming the Bonds are exempt from registration under the Securities Act of 1933 and that this Indenture is not required to be qualified under the Trust Indenture Act of 1939, all federal, state and local governmental, public, and regulatory authority approvals, consents, notices, authorizations, registrations, licenses, exemptions and filings that are required to have been obtained or made by the Trustee with respect to the authorization, execution, delivery, and performance by, or the enforcement against or by, the Trustee of this Indenture have been obtained and are in full force and effect and all conditions of such approvals, consents, notices, authorizations, registrations, licenses, exemptions and filings have been fully complied with.

(2) The Trustee is not (i) required to qualify or obtain any certificate of authority to do business in the State or (ii) subject to any filing requirement to make any or pay any fees or taxes required of foreign entities doing business in the State, in either case solely as a result of executing, delivering, or performing this Indenture.

(3) The Trustee has a combined capital and surplus of at least \$50,000,000 or, alternatively, a liability policy having the type of coverage and in an amount acceptable to the Issuer and the Borrower. The Trustee has an operations group of at least four experienced trust officers, with primary responsibility for municipal bond issues. The Trustee administers at least 25 municipal bond indentures aggregating at least \$25,000,000 under its administration.

Section 8.02. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (E) of Section 8.01 shall be the successor to such Trustee without

the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 8.03. Liability of Trustee. (A) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Issuer, and the Trustee shall assume no responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of this Indenture or of the Bonds. In addition, the Trustee shall assume no responsibility with respect to this Indenture or the Bonds other than in connection with the duties or obligations assigned to or imposed upon the Trustee herein or in the Bonds. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee may become the Holder of Bonds with the same rights it would have if it were not Trustee and, to the extent permitted by law, may act as depositary for and permit any of their officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders, whether or not such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

The Trustee may execute any of the trusts or powers set forth herein and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to the advice of counsel selected by it concerning all matters of trusts and its duties herein. The Trustee shall not be responsible for the misconduct or negligence of any such attorneys, agents or receivers appointed with due care. The opinion of counsel shall be full and complete authorization and protection with respect to any action taken by it hereunder in good faith in accordance therewith.

(B) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(C) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Bondholders pursuant to the provisions of this Indenture unless such Bondholders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby.

(D) The Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

(E) Except for Events of Default under Section 7.01(a) and (b), the Trustee shall not be deemed to have knowledge of any default or Event of Default hereunder unless and until a responsible officer of the Trustee has actual knowledge thereof, or shall have received written notice thereof, at its Corporate Trust Office. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms,

conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of a default or Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

(F) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers, other than to notify the Issuer that it intends to take no particular action or to notify the Bondholders that it will take no action, if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it. The Trustee shall, however, in any case make drawings under a Credit Facility or Liquidity Facility, if any, as required by the terms hereof to pay principal and Purchase Price of, and interest on, the Bonds as they become due and shall accelerate the Bonds as required by the Indenture, notwithstanding anything to the contrary herein.

(G) The Trustee shall have no responsibility, opinion or liability with respect to any information statement or recital found in any Official Statement or other disclosure material prepared or distributed with respect to the issuance of the Bonds, except for information provided by the Trustee.

(H) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

(I) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Loan Agreement, and in particular in case of the enforcement thereof in an Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise or hold any of the powers, rights, remedies, duties, obligations, claims, demands, causes of action, immunities, estates, titles, interests, or liens herein or therein granted to or vested in the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith (collectively, the "powers, duties, and interests of the Trustee"), the Trustee may appoint an additional institution as a separate or Co-Trustee, in which event all of such powers, duties, and interests expressed or intended by this Indenture or the Loan Agreement to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or Co-Trustee, but only to the extent necessary to enable such separate or Co-Trustee to exercise such powers, duties, and interests and every covenant and obligation necessary to the exercise thereof by such separate or Co-Trustee shall run to and be enforceable by either of them.

Should any deed, conveyance, or instrument in writing from the Issuer be required by the separate or Co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such powers, duties, and interests of the Trustee, any and all such deeds, conveyances, and instruments in writing shall, on request, be executed, acknowledged, and delivered by the Issuer. In case any separate or Co-Trustee, or a successor to either, shall become incapable

of acting, resign, or be removed, all the powers, duties, and interests of such separate or Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate or Co-Trustee. Any Co-Trustee appointed by the Trustee pursuant to this Section may be removed by the Trustee, in which case all powers, duties, and interests vested in such Co-Trustee shall again vest in the Trustee as if no such appointment of a Co-Trustee had been made.

Notwithstanding any provision to the contrary in this Indenture, the Borrower shall not be liable to any Trustee or successor Trustee for any costs, fees or expenses incurred in connection with the appointment of any separate or Co-Trustee or, without the express prior written approval of the Borrower, in connection with any duties or actions undertaken by such appointed separate or Co-Trustee, and such appointed separate or Co-Trustee shall be subject to the same terms and conditions, and entitled to the same benefits, of this Indenture as applicable to any Trustee or successor Trustee.

Section 8.04. Right of Trustee to Rely on Documents. Subject to Section 8.01(A), the Trustee shall be fully protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel of its selection, who may be counsel of or to the Issuer or the Borrower, with regard to legal questions, and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the Issuer, and such Certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 8.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Issuer, the Borrower and any Bondholder and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 8.06. Compensation and Indemnification. (A) The Trustee, the Tender Agent, the Paying Agent and the Registrar shall be entitled to compensation as agreed to in writing from time to time between the Trustee (or the Tender Agent or the Paying Agent or the Registrar, as the case may be) and the Borrower for all services rendered by them in the execution of the trusts created and in the exercise and performance of any of the powers and duties hereunder of the Trustee, the Tender Agent, the Paying Agent or the Registrar, as the case may be, which

compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust, and the Borrower has agreed under Section 4.2(c) of the Loan Agreement to pay the Trustee, the Tender Agent, the Paying Agent or the Registrar, as the case may be, upon its request for reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee, the Tender Agent, the Paying Agent or the Registrar, as the case may be, in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith. If any property, other than cash, shall at any time be held by the Trustee, the Tender Agent, the Paying Agent or the Registrar, as the case may be, subject to this Indenture, or any Supplemental Indenture, as security for the Bonds, the Trustee, the Tender Agent, the Paying Agent or the Registrar, as the case may be, if and to the extent authorized by a receivership, bankruptcy or other court of competent jurisdiction or by the instrument subjecting such property to the provisions of this Indenture as such security for the Bonds shall be entitled to make advances for the purpose of preserving such property or of discharging tax liens or other prior liens or encumbrances thereon. The Borrower has also agreed under Section 9.3 of the Loan Agreement to indemnify the Trustee, the Tender Agent, the Paying Agent or the Registrar, as the case may be, for, and to hold it harmless against, any loss, liability, expense or advance incurred or made without negligence or bad faith on the part of the Trustee, the Tender Agent, the Paying Agent or the Registrar, as the case may be, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim of liability in the premises (including reasonable attorneys' fees and expenses) with certain exceptions provided therein. Notwithstanding the foregoing, the Trustee shall make timely payments of principal of and interest on the Bonds with moneys on deposit in the Bond Fund as provided herein, shall make timely draws on the Credit Facility, if any, as provided herein and shall accelerate the payment of principal on the Bonds when required by this Indenture without seeking any prior indemnification from the Borrower or any Bondholder. The rights of the Trustee, the Tender Agent, the Paying Agent and the Registrar to compensation for their services, to payment or reimbursement for expenses, disbursements, liabilities and advances, and to indemnification as provided in the Loan Agreement, shall have priority over the Bonds in respect of all property and funds held or collected by the Trustee as such, except for moneys held in the Rebate Fund, proceeds of a drawing under the Liquidity Facility or the Credit Facility or held in the Purchase Fund or the Credit Facility Fund, Available Moneys, moneys being aged to become Available Moneys, remarketing proceeds, and other funds held in trust by the Trustee or the Tender Agent, as the case may be, for the benefit of the Holders of particular Bonds, including, without limitation, (i) moneys or securities held pursuant to Article X hereof; and (ii) moneys or securities held for the payment of Bonds upon maturity or redemption and prior to the presentation of such Bonds.

(B) The Trustee shall be under no obligation to institute any suit or take any remedial proceeding under this Indenture, or to enter any appearance in or in any way defend any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the exercise of any rights or powers hereunder at the request, order or direction of any Holders of Bonds or otherwise (except declaring the principal of and interest on the Bonds to be due immediately under Section 7.01, drawing on the Credit Facility, if any, or making payment when due on the Bonds) until it shall be indemnified to its satisfaction against any and all reasonable costs

and expenses, outlays, and counsel fees and other disbursements and against all liability not due to its negligence or bad faith, provided, however, that if the Trustee intends to seek indemnification pursuant to this Section 8.06 prior to instituting any such action it shall so inform the Holders (as appropriate), the Issuer and the Credit Facility Provider as soon as possible.

Section 8.07. Paying Agent. The Issuer, at the direction of the Borrower and with the written approval of the Trustee, shall appoint and at all times have a Paying Agent in such cities as the Borrower deems desirable, for the payment of the principal of, and the interest (and premium, if any) on, the Bonds. It shall be the duty of the Trustee to make such credit arrangements with such Paying Agent as may be necessary to assure, to the extent of the moneys held by the Trustee for such payment, the prompt payment of the principal of, and interest (and premium, if any) on, the Bonds presented at either place of payment. The Trustee will not be responsible for the failure of the Credit Facility Provider, the Liquidity Facility Provider, or any other party to make funds available to the Trustee or Paying Agent. The Trustee is the initial Paying Agent. If the Paying Agent is any entity other than the Trustee, it shall be subject to the same standards applicable to the Trustee as set forth in this Indenture.

Section 8.08. Trustee and Issuer Required to Accept Directions and Actions of Borrower. Whenever after a reasonable written request by the Borrower, and if the Borrower is not in default under the Loan Agreement, the Issuer shall fail, refuse or neglect to give any written direction to the Trustee or to require the Trustee to take any action that the Issuer is required to have the Trustee take pursuant to the provisions of the Loan Agreement or this Indenture, the Borrower as agent and borrower of the Issuer may give any such written direction to the Trustee or require the Trustee to take any such action (so long as such action does not adversely impair the rights of the Trustee and the Bondholders hereunder or conflict with the terms of this Indenture), and the Trustee is hereby irrevocably empowered and directed to accept such written direction from the Borrower as sufficient for all purposes of this Indenture, provided the Trustee receives indemnity satisfactory to it. The Borrower shall have the right as agent and borrower of the Issuer to cause the Trustee to comply with any of the Trustee's obligations under this Indenture to the same extent that the Issuer is empowered so to do.

Certain actions or failures to act by the Issuer under this Indenture may create or result in an Event of Default under this Indenture, and the Borrower, as agent and borrower of the Issuer may, to the extent permitted by law, perform any and all acts or take such action (so long as such action does not adversely impair the rights of the Trustee and the Bondholders hereunder or conflict with the terms of this Indenture) as may be necessary for and on behalf of the Issuer to prevent or correct said Event of Default, and the Trustee shall take or accept such performance by the Borrower as performance by the Issuer in such event provided the Trustee receives indemnity satisfactory to it; provided, however, that the foregoing shall not extend the time for performance required hereby.

The Issuer hereby makes, constitutes and irrevocably appoints the Borrower as its agent to give all directions, do all things and perform all acts provided, and to the extent so provided, by this Section. The Borrower shall act reasonably as such agent, and no action of the Borrower as such

agent shall create any liability of the Issuer, including any liability with respect to payment of the Bonds (except as otherwise provided in this Indenture).

Section 8.09. Notices to Rating Agency, Remarketing Agent, Credit Facility Provider and Liquidity Facility Provider. The Trustee shall provide the Rating Agency, the Remarketing Agent, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, with prior written notice (to the extent the Trustee has received prior notice) upon the occurrence of: (i) the provision, expiration, termination or extension of a Credit Facility or Liquidity Facility; (ii) the discharge of liability on the Bonds of a series pursuant to Section 10.02 hereof; (iii) the resignation or removal of the Trustee, Tender Agent, or Remarketing Agent; (iv) acceptance of appointment by a successor Trustee, Tender Agent, or Remarketing Agent hereunder; (v) the redemption of all or any portion of the Bonds or acceleration or otherwise payment in full of all of the Bonds of a series; (vi) adjustment to a new Interest Rate Mode; (vii) any change in the Indenture, the Loan Agreement, the Credit Facility, if any, or the Liquidity Facility, if any; and (viii) when the Bonds of a series are no longer Outstanding. The Trustee shall also notify any Rating Agency of any changes to any of the documents to which the Trustee is a party, upon its receipt of notification of any such changes. The Trustee shall not be liable to any party for failure to give notice as provided in this Section.

Section 8.10. Appointment and Duties of Bond Registrar. The Issuer hereby designates the Trustee as initial Bond Registrar. The Bond Registrar shall not be entitled to any compensation from the Issuer, the Remarketing Agent, or the Trustee but, rather, shall only be entitled to compensation from the Borrower.

Section 8.11. Eligibility of Bond Registrar. A Bond Registrar appointed pursuant to this Indenture shall be a corporation, bank or trust company organized and doing business under the laws of the United States or any state or the District of Columbia and shall either (i) have a combined capital and surplus of at least fifty million dollars (\$50,000,000), and be subject to supervision or examination by federal or state authority or (ii) be a wholly-owned subsidiary of a bank, trust company or bank holding company meeting, on an aggregate basis, the tests set out in clause (i). If such corporation, bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such corporation, bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Section 8.12. Bond Registrar's Performance of Duties. The Bond Registrar shall perform the duties provided for in this Indenture and in exercising such duties shall be entitled to the same rights and immunities applicable to the Trustee as set forth in this Indenture.

Section 8.13. Replacement of Bond Registrar. The Bond Registrar may resign by notifying the Issuer, the Trustee, the Credit Facility Provider, if any, the Liquidity Facility Provider, if any, and the Borrower at least thirty (30) days before the effective date of such resignation. The Issuer, at the direction of the Borrower, shall remove the Bond Registrar and appoint a successor by notifying the Bond Registrar, the Remarketing Agent, the Credit Facility Provider, if any, the

Liquidity Facility Provider, if any, and the Trustee. No resignation or removal shall be effective until the successor has delivered an acceptance of its appointment to the Trustee and the predecessor Bond Registrar.

In the event of the resignation or removal of the Bond Registrar, such Bond Registrar shall pay over, assign and deliver any moneys held by it as Bond Registrar to its successor, or if there is no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of Bond Registrar, the Trustee shall act as such Bond Registrar to the extent it has operational capacity to perform such tasks.

END OF ARTICLE VIII

ARTICLE IX

MODIFICATION OR AMENDMENT OF THE INDENTURE AND THE LOAN AGREEMENT

Section 9.01. Amendments Permitted. (A) Except as provided in subsection (B) and Section 11.17 hereof, this Indenture and the rights and obligations of the Issuer and of the Holders of the Bonds and of the Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Issuer and the Trustee may enter into when the written consent of the Holders of sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of all Bonds then Outstanding shall have been filed with the Trustee. No such Supplemental Indenture shall (1) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, or (2) affect the rights and obligations of the Holders to tender Bonds for purchase or the payment provisions with respect thereto, or (3) reduce the aforesaid percentage of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or (4) permit the creation of any lien on the Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture, or (5) deprive the Holders of the Bonds of the lien created by this Indenture on such Revenues and other assets (except as expressly provided in this Indenture), without in each case the consent of the Holders of all of the Bonds then Outstanding. It shall not be necessary for the consent of the Bondholders to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the Issuer and the Trustee of any Supplemental Indenture pursuant to this subsection (A), the Trustee shall mail a notice by first class mail, setting forth in general terms the substance of such Supplemental Indenture, to the Remarketing Agent, each Rating Agency then rating the Bonds and the Holders of the Bonds at the addresses shown on the registration books of the Bond Registrar. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

(B) This Indenture and the rights and obligations of the Issuer, of the Trustee and of the Holders of the Bonds may also be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Issuer and the Trustee may enter into without the consent of any Bondholders, but only to the extent permitted by law and, in the case of (1) through (5) below, after receipt of an Opinion of Counsel that the provisions of such Supplemental Indenture do not adversely affect the interests of the Holders of the Bonds, including, without limitation, for any one or more of the following purposes:

(1) to add to the covenants and agreements of the Issuer in this Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds, or to surrender any right or power herein reserved to or conferred upon the Issuer;

(2) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Issuer may deem necessary or desirable and not inconsistent with this Indenture;

(3) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(4) to conform to the terms and provisions of any Credit Facility or Liquidity Facility or to obtain a rating on the Bonds; or

(5) to provide for a series of Bonds to be held in the Book-Entry System while such Bonds are in an Interest Rate Mode other than an Index Rate Period; or

(6) to modify, alter, amend or supplement this Indenture in any other respect, including amendments which would otherwise be described in Section 9.01(A) hereof, if the effective date of such Supplemental Indenture is a date on which all Bonds affected thereby are subject to mandatory tender for purchase pursuant to Section 3.10 or if the Trustee shall mail a notice by first class mail to the Holders of the Bonds at the addresses shown on the registration books of the Trustee of the proposed Supplemental Indenture at least thirty (30) days before the effective date thereof and, on or before such effective date, the Bondholders have the right to demand purchase of their Bonds pursuant to Section 3.08 hereof.

(C) The Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Indenture authorized by subsections (A) and (B) of this Section which adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise; however, prior to the execution by the Trustee of a Supplemental Indenture, an Opinion of Counsel shall be delivered to the Trustee that such Supplemental Indenture is authorized or permitted by this Indenture.

(D) Any other provision of this Indenture to the contrary notwithstanding, no Supplemental Indenture authorized by subsections (A) and (B) of this Section shall become effective without the written consent of the Borrower, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any.

Section 9.02. Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Issuer, the Trustee and all Holders of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Any such Supplemental Indenture shall comply with the terms of this Article IX, and the Trustee may conclusively rely on an Opinion of Counsel that the Supplemental Indenture complies with the provisions therein.

Section 9.03. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Issuer and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand of the Holder of any Bond Outstanding at the time of such execution and presentation of such Holder's Bond for the purpose at the office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bond. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Issuer and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the Issuer and authenticated by the Trustee, and upon demand of the Holders of any Bonds then Outstanding shall be exchanged at the Corporate Trust Office of the Trustee in St. Paul, Minnesota, without cost to any Bondholder, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amounts.

Section 9.04. Amendment of Particular Bonds. The provisions of this Article shall not prevent any Bondholder from accepting any amendment as to the particular Bonds held by it, provided that due notation thereof is made on such Bonds.

Section 9.05. Amendment of Loan Agreement. Except as provided in Sections 3.1(c) and 10.4 of the Loan Agreement and Section 11.17 hereof, the Issuer shall not amend, change, modify, alter or terminate any of the terms of the Loan Agreement, or consent to any such amendment, change, modification, alteration or termination, without the prior written consent of the Trustee. The Trustee shall give such written consent only if (1) in the Opinion of Counsel, such amendment, change, modification, alteration or termination will not adversely affect the interests of the Bondholders or result in any impairment of the security hereby given for the payment of the Bonds, or (2) the Trustee first obtains the written consent of the Holders of sixty-six and two-thirds percent (66-2/3%) in principal amount of the Bonds then Outstanding to such amendment, change, modification, alteration or termination, provided that no such amendment, change, modification, alteration or termination shall reduce the amount of Loan Payments or Purchase Price Payments to be made by the Borrower pursuant to the Loan Agreement, or extend the time for making such payments, without the written consent of all of the Holders of the Bonds then Outstanding or (3) the effective date of such amendment, change, modification, alteration, or termination is a day on which all outstanding Bonds are subject to mandatory tender. The Trustee shall be entitled to rely upon an Opinion of Counsel with respect to the effect of any amendments to the Loan Agreement.

END OF ARTICLE IX

ARTICLE X

DEFEASANCE

Section 10.01. Discharge of Indenture. Bonds may be paid by the Issuer in any of the following ways, provided that the Issuer also pays or causes to be paid any other sums payable hereunder by the Issuer:

- (a) by paying or causing to be paid (with Available Moneys when a Credit Facility is then in effect) the principal of, interest and premium, if any, on the Bonds then Outstanding as and when the same become due and payable;
- (b) by depositing with the Trustee, in trust, at or before maturity or the redemption date thereof, money or securities in the necessary amount (as provided in Section 10.03 hereof) to pay or redeem (with Available Moneys when a Credit Facility is then in effect) all Bonds then Outstanding; or
- (c) by delivering to the Trustee, for cancellation by it, the Bonds then Outstanding.

If the Issuer shall also pay or cause to be paid all other sums payable hereunder by the Issuer, then and in that case, at the election of the Issuer (evidenced by a Certificate of the Issuer, filed with the Trustee, signifying the intention of the Issuer to discharge all such indebtedness and this Indenture), and notwithstanding that any Bonds shall not have been surrendered for payment, this Indenture and the pledge of Revenues and other assets made under this Indenture and all covenants, agreements and other obligations of the Issuer under this Indenture shall cease, terminate, become void and be completely discharged and satisfied except only as provided in Section 10.02 hereof. In such event, upon Request of the Issuer, the Trustee shall cause an accounting for such period or periods as may be requested by the Issuer to be prepared and filed with the Issuer and shall execute and deliver to the Issuer all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver all moneys or securities or other property held by it pursuant to this Indenture (other than the Rebate Fund) which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption and any amounts owed to the Trustee hereunder in the following order (1) first, to the Credit Facility Provider to the extent of any amounts due to the Credit Facility Provider pursuant to the Credit Facility Agreement, (2) second, to the Liquidity Facility Provider to the extent of any amounts due to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement and (3) third, to the Borrower, provided, however, that the Borrower may not receive any funds derived from a draw on the Credit Facility, Liquidity Facility, remarketing proceeds, or moneys held for the payment of particular Bonds (including moneys held for non-presented Bonds).

Section 10.02. Discharge of Liability on Bonds. Upon the deposit with the Trustee, in trust, at or before maturity or redemption, as the case may be, of money or securities in the necessary amount (as provided in Section 10.03 hereof) to pay or redeem any Outstanding Bond (whether upon

or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the Issuer in respect of such Bond shall cease, terminate and be completely discharged, except only that the Holder thereof shall thereafter be entitled to payment of the principal of and interest on such Bond by the Issuer, and the Issuer shall remain liable for such payment, but only out of such money or securities deposited with the Trustee as aforesaid for their payment and such money or securities shall be pledged to such payment; provided further, however, that the provisions of Section 10.04 hereof shall apply in all events.

The Issuer may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which the Issuer may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 10.03. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any Bonds, the money or securities to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Indenture (exclusive of the Rebate Fund and the Credit Facility Fund) and shall be:

(a) moneys (Available Moneys when a Credit Facility is then in effect) in an equal amount to the principal amount of such Bonds, and all unpaid interest thereon to maturity except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such Bonds and all unpaid interest thereon to the redemption date; or

(b) Investment Securities which consist solely of securities described in clause (A) or (B) of the definition of Investment Securities (but which are rated "AAA" or equivalent) and, when a Credit Facility is then in effect, which are purchased with Available Moneys, the principal of and interest on which when due and without reinvestment will provide money sufficient to pay (as verified by an Accountant or an investment banking firm selected by the Borrower) the principal of, premium, if any, and all unpaid interest to maturity or to the redemption date on the Bonds to be paid or redeemed, as such principal and interest become due, with maturities no longer than 30 days or as may be necessary to make the required payment on the Bonds, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;

provided, in each case, that the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Request of the Issuer) to apply such money or Investment Securities to the payment

of such principal, premium, if any, and interest with respect to such Bonds and provided further that each Rating Agency then rating such Bonds and the Trustee shall have received a report of an Accountant that the moneys or Investment Securities on deposit are sufficient to pay the principal, premium, if any, and interest on the Bonds to maturity or the redemption date, and, if a Credit Facility is then in effect, a legal opinion from a nationally recognized firm in bankruptcy law that payment of the Bonds from such moneys will not be a voidable preference in the event of the bankruptcy of the Borrower or the Issuer.

Section 10.04. Payment of Bonds After Discharge of Indenture Obligation.

Notwithstanding any provisions of this Indenture, any moneys deposited with the Trustee in trust for the payment of the principal of, or interest or premium on, any Bonds remaining unclaimed after the principal of any Bond has become due and payable (whether at maturity or upon call for redemption or by declaration as provided in this Indenture), shall be disposed of as provided by law and the Holders of such Bonds shall thereafter be entitled to look only to the transferee of such moneys for payment thereof, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, that before the disposition of such moneys as aforesaid, the Trustee may (at the cost of the Borrower) first publish at least once in a Qualified Newspaper a notice, in such form as may be deemed appropriate by the Trustee, in respect of the Bonds so payable and not presented and in respect of the provisions relating to the disposition of the moneys held for the payment thereof.

END OF ARTICLE X

ARTICLE XI MISCELLANEOUS

Section 11.01. Liability of Issuer Limited to Revenues. The Bonds are not and never shall become general obligations of the Issuer or the City, but are limited obligations payable by the Issuer solely and only from the payments received under or with respect to the documents executed by the Borrower, including, without limitation, the Credit Facility, if any (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or income from the temporary investment of such funds or other funds held hereunder), which amounts, together with any other security provided herein, are hereby specifically assigned and pledged to such purposes, in the manner and to the extent provided herein. The Bonds shall be deemed not to constitute a debt of the State, the City, or of any other political corporation, subdivision, or agency of the State or a pledge of the faith and credit of any of them. No recourse shall be had for any claim based on the Loan Agreement, the Indenture, or the Bonds against any member, officer or employee, past, present or future, of the Issuer, or of any successor body thereto, either directly or through the Issuer, or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise. Neither the State, the City nor any political corporation, subdivision, or agent of the State shall be obligated to pay the Bonds and neither the faith and credit nor the taxing power of the State, the City, or any other political corporation, subdivision, or agency is pledged to the payment of the principal of, redemption premium, if any, or interest on, or Purchase Price of, the Bonds. The Bonds are special revenue obligations of the Issuer payable solely from the sources described herein and therein and the holder thereof shall never have the right to demand payment from moneys derived by taxation or any revenues of the Issuer except the funds pledged to the payment thereof. The Issuer has no taxing authority.

Section 11.02. Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture either the Issuer, the Credit Facility Provider, the Liquidity Facility Provider or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Issuer, the Credit Facility Provider, the Liquidity Facility Provider or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not. All the covenants, stipulations, promises and agreements in this Indenture contained, by or on behalf of the Issuer, shall bind and inure to the benefit of its successors and assigns, whether so expressed or not. If any of the powers or duties of the Issuer shall hereafter be transferred by any law of the State, and if such transfer shall relate to any matter or thing permitted or required to be done under this Indenture by the Issuer, then the body or official of the State who shall succeed to such powers or duties shall act and be obligated in the place and stead of the Issuer as in this Indenture provided.

Section 11.03. Limitation of Rights to Parties and Bondholders. Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the Issuer, the Trustee, the Borrower, the Credit Facility Provider, the Liquidity Facility Provider, and the Holders of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained;

and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Issuer, the Trustee, the Borrower, the Credit Facility Provider, the Liquidity Facility Provider, a Direct Participant, and the Holders of the Bonds.

Section 11.04. Waiver of Notice. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 11.05. Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the Issuer of any Bonds, the Trustee may, in lieu of such cancellation and delivery, destroy such Bonds, and deliver a certificate of such destruction to the Issuer if so requested in writing.

Section 11.06. Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Issuer hereby declares that it would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

Section 11.07. Governing Law; Venue. This Indenture shall be construed in accordance with and governed by the Constitution and laws of the State applicable to contracts made and performed in the State; provided, however, the rights, immunities, duties and obligations of the Trustee shall be construed in accordance with the laws of the State of New York and, provided further, that the Issuer shall not be subject to any jurisdiction other than in the State or venue other than Bexar County, Texas.

Section 11.08. Notices. Notices shall be delivered to each Bondholder by first class mail, postage prepaid, at the address set forth for such Bondholder on the registration books of the Registrar. Any notice to or demand upon the Trustee may be served or presented by certified mail, postage prepaid, by facsimile (receipt confirmed) or delivered, and such demand may be made, at the Corporate Trust Office of the Trustee, which at the date of adoption of this Indenture is located at the following address:

U.S. Bank National Association
EX-TX-DCRE
14241 Dallas Parkway, Suite 490
Dallas, Texas 75254
Attn: Corporate Trust Services
Facsimile: (972) 789-9605

or at such other address as may have been filed in writing by the Trustee with the other parties listed in this Section 11.08. Notices to the Trustee are effective only when actually received by the Trustee.

Any notice, request, complaint, demand, communication or other paper upon the Issuer, the Borrower or the Bank shall be deemed to have been sufficiently given or served for all purposes when the same are: (1) deposited in the United States mail and sent by first class mail, postage prepaid, or (2) sent by facsimile or delivered, addressed, as the case may be, as follows:

To the Issuer:

City of San Antonio, Texas Empowerment Zone Development Corporation
c/o City of San Antonio - Department of Economic Development
100 W. Houston Street, 19th Floor
San Antonio, Texas 78205
Attn: Executive Director
Facsimile: (210) 207-8151

with a copy to the Issuer's Secretary as follows:

Office of the City Clerk
City Hall, 2nd Floor
100 Military Plaza
San Antonio, Texas 78205
Facsimile: (210) 207-7032

To the Bank:

At the address to be provided, if applicable, in writing to the Trustee, the Borrower, and the Issuer, which address is initially:

U.S. Bank National Association
10 N. Hanley Road
St. Louis, Missouri 63105
Attn: Howard Goldberg, Vice President
Facsimile: (314) 505-8140

and

U.S. Bank National Association

One California Street, Suite 350
San Francisco, California 94111
Attn: Ila Afsharipour, Director
Facsimile: (415) _____

with a copy to:

Sara E. Kotthoff
Thompson Coburn LLP
One US Bank Plaza, Suite 2700
St. Louis, Missouri 63101
Facsimile: (314) 552-7065

To the Borrower:

Alamo National Building Development, LP
101 S. Farrar
P.O. Box 1214
Cape Girardeau, MO 63702-1214
Attn: Herb Wedemeier
Facsimile: (573) 335-5125

with a copy to:

Linda Martinez
Bryan Cave LLP
One Metropolitan Square, Suite 3600
St. Louis, Missouri 63102
Facsimile: (314) 259-2020

or such other addresses as may have been filed in writing with the other parties listed in this Section 11.08.

Any notice, request, complaint, demand, communication or other paper upon the Liquidity Facility Provider, if any, or the Credit Facility Provider, if any, shall be deemed to have been sufficiently given or served for all purposes when the same are: (1) deposited in the United States mail and sent by first class mail, postage prepaid, or (2) sent by facsimile or delivered, addressed, as the case may be, as set forth in the applicable agreements pursuant to which a Liquidity Facility or Credit Facility is provided.

Section 11.09. Evidence of Rights of Bondholders. (A) Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bondholders may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bondholders in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such

agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the Issuer if made in the manner provided in this Section.

(B) The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument acknowledged to such notary public or other officer the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

(C) The ownership of registered Bonds shall be proved by the bond registration books held by the Bond Registrar. The Trustee and the Issuer may conclusively assume that such ownership continues until written notice to the contrary is served upon the Trustee. The fact and the date of execution of any request, consent or other instrument and the amount and distinguishing numbers of Bonds held by the person so executing such request, consent or other instrument may also be proved in any other manner which the Trustee may deem sufficient. The Trustee may nevertheless, in its discretion, require further proof in cases where it may deem further proof desirable.

Any request, consent, or other instrument or writing of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in accordance therewith or reliance thereon.

Section 11.10. Disqualified Bonds. In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Issuer or the Borrower, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Issuer or the Borrower or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination; provided that, for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Trustee knows to be so owned shall be disregarded; and provided further that if all of the Bonds are at any time held by or for the account of the Borrower or by any other obligor on the Bonds or by any person directly or indirectly controlling or controlled by or under direct or indirect control with the Borrower or any other obligor on the Bonds then such Bonds shall not be disregarded and shall be deemed to be Outstanding for the purpose of such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Issuer or the Borrower or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

Section 11.11. Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest, principal or premium due on any date with respect to particular Bonds (or portions of Bonds in the case of registered Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and, subject to Section 10.04 hereof, held in trust by it for the Holders of the Bonds entitled thereto, and invested as provided in Section 5.06 hereof.

Section 11.12. Funds and Accounts. Any fund or account required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with corporate trust industry standards and with due regard for the requirements of Section 7.05 hereof and for the protection of the security of the Bonds and the rights of every Holder thereof. The Trustee may establish and maintain for so long as is necessary one or more temporary funds and accounts under this Indenture, including but not limited to a temporary fund for holding the proceeds of the Bonds.

Section 11.13. Waiver of Personal Liability; No Recourse. No recourse shall be had for the payment of the principal or Purchase Price of, redemption premium, if any, and interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this Indenture or the Loan Agreement or the Underwriting Agreement among the Issuer, Banc of America Securities LLC, and the Borrower against any past, present or future incorporator, member, officer, employee, agent, director or trustee of the Issuer, or any incorporator, member, officer, employee, agent, director or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, member, officer, employee, director, agent or trustee as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture or the Loan Agreement and the issuance of the Bonds.

Section 11.14. Complete Agreement. This Indenture represents the complete agreement between the parties with respect to the Bonds and related matters.

Section 11.15. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Issuer and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 11.16. Business Day. If any payment is to be made hereunder or any action is to be taken hereunder on any date that is not a Business Day, such payment or action otherwise required to be made or taken on such date shall be made or taken on the immediately succeeding Business Day with the same force and effect as if made or taken on such scheduled date.

Section 11.17. Rights of Credit Facility Provider and Liquidity Facility Provider.

(a) Notwithstanding anything in this Indenture to the contrary, so long as a Credit Facility or a Liquidity Facility is then in effect and the Credit Facility Provider or the Liquidity Facility Provider, as the case may be, has not failed or refused to honor a properly presented and conforming draw under the Credit Facility or the Liquidity Facility, the Credit Facility Provider or the Liquidity Facility Provider, as the case may be, and not the Owners of the Bonds, shall be deemed to be the Owner of 100% of the Outstanding Bonds at all times for the purpose of giving any approval, request, consent, direction (other than related to Section 2.04 hereof), declaration, rescission or amendment which under this Indenture is to be given by the Owners of the Bonds at the time Outstanding; provided, however, that the Credit Facility Provider and the Liquidity Facility Provider shall not consent to any modification or amendment of this Indenture or the Loan Agreement requiring the consent of the Owners of 100% in aggregate principal amount of the Bonds Outstanding or which would cause the interest on the Bonds to be no longer excluded from gross income for federal income tax purposes unless the actual Owners of 100% in aggregate principal amount of the Bonds Outstanding shall have also consented thereto or unless the Credit Facility Provider or the Liquidity Facility Provider is also the registered owner of 100% of the Bonds Outstanding; and provided further, that the Credit Facility Provider and the Liquidity Facility Provider shall have no right prior to the occurrence of an Event of Default hereunder to deprive any Owner of the Bonds of the benefit of the Credit Facility or the Liquidity Facility under the circumstances and in the manner contemplated as set forth herein.

(b) At all times while the Bonds are in the Index Rate Period, (i) the Bank shall have all rights to notice and consent provided herein to a Credit Facility Provider or a Liquidity Facility Provider, if any, and (ii) the Bank shall have the right to direct the Trustee with respect to the Trustee exercising any waivers, consents, and remedies granted to the Trustee as set forth herein or in the Loan Agreement, and (iii) the Bank shall be a third party beneficiary to this Indenture.

END OF ARTICLE XI

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Indenture to be executed and sealed on their behalf by their duly authorized representatives, all as of the day and year first written above.

**CITY OF SAN ANTONIO, TEXAS
EMPOWERMENT ZONE DEVELOPMENT
CORPORATION**

By: _____
Title: President

Attest:

Secretary

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF SERIES 2013A BONDS AND SERIES 2013B BONDS

No. R-__

\$_____

THE FOLLOWING TWO BRACKETED PARAGRAPHS ARE TO BE DELETED IF BOND IS NOT BOOK ENTRY ONLY:

[Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), **ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL** inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through DTC, and notwithstanding any other provision of the Indenture to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.]

**UNITED STATES OF AMERICA
STATE OF TEXAS**

**CITY OF SAN ANTONIO, TEXAS
EMPOWERMENT ZONE DEVELOPMENT CORPORATION
CONTRACT REVENUE EMPOWERMENT ZONE REFUNDING BOND
(DRURY SOUTHWEST HOTEL PROJECT), SERIES [2013A] [2013B]**

<u>Maturity Date</u>	<u>Dated Date</u>	<u>Issuance Date</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
October 1, [2035] [2037]	November 1, 2013	December [2], 2013	Variable	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION, a nonprofit local government corporation created and acting on behalf of the City of San Antonio, Texas (the "***City***") and organized and existing under the laws of the State of Texas, particularly Subchapter D of Chapter 431, Texas Transportation Code, as amended (the "***Act***"), hereby promises to pay

(but only out of Revenues as hereinafter provided) to the registered owner identified above or registered assigns, on the maturity date set forth above, the principal sum set forth above and to pay (but only out of Revenues as hereinafter provided) interest on the balance of said principal amount from time to time remaining unpaid from and including the date hereof until payment of said principal amount has been made or duly provided for, at the rates and on the dates determined as described herein and in the Indenture (as hereinafter defined), and to pay (but only out of Revenues as hereinafter provided) interest on overdue principal and, to the extent permitted by law, on overdue interest at the rate borne by this Bond on the date on which such principal or interest became due and payable, except as the provisions hereinafter set forth with respect to redemption prior to maturity may become applicable hereto. If an Event of Default (as defined in the Indenture) shall have occurred and be continuing, the interest rate on the Bonds during such time shall be the rate on the Bonds on the day prior to the occurrence of such Event of Default. The principal of and premium, if any, on this Bond are payable at final maturity, acceleration or redemption in lawful money of the United States of America upon surrender hereof at the Corporate Trust Office of U.S. Bank National Association, in Dallas, Texas, as Trustee, or its successor in trust (the "**Trustee**"). Interest payments on this Bond shall be made on each Interest Payment Date (as defined below) commencing on the first Business Day of January, 2014, by wire transfer (or upon request, or after the Fixed Rate Conversion Date, by check or draft mailed) to the wire transfer account number or at the address, as the case may be, shown on the registration books maintained by the Trustee. After the Fixed Rate Conversion Date and at the written request of the Holder of at least \$1,000,000 in aggregate principal amount of the Bonds, interest may be paid by wire transfer to the address filed with the Trustee for such purpose.

THIS BOND IS ONE OF A DULY AUTHORIZED ISSUE OF BONDS of the Issuer designated as **CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION CONTRACT REVENUE EMPOWERMENT ZONE REFUNDING BONDS (DRURY SOUTHWEST HOTEL PROJECT), SERIES [2013A] [SERIES 2013B]** (the "**Bonds**"), limited in aggregate principal amount to *[\$21,900,000] [\$18,000,000]* and issued under the provisions of the Act. The Bonds and the obligation to pay interest thereon and redemption premiums with respect thereto, together with the *City of San Antonio, Texas Empowerment Zone Development Corporation Contract Revenue Empowerment Zone Refunding Bonds (Drury Southwest Hotel Project), [Series 2013B] [Series 2013A]* being issued concurrently with the Bonds, are special, limited obligations of the Issuer secured to the extent provided in the hereinafter described Indenture, and shall be payable solely from the Revenues and income described below.

THE BONDS SHALL BE DEEMED NOT TO CONSTITUTE A DEBT OF THE STATE OF TEXAS, THE CITY, OR OF ANY OTHER POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE OF TEXAS, OR A PLEDGE OF THE FAITH AND CREDIT OF ANY OF THEM. NO RECOURSE SHALL BE HAD FOR ANY CLAIM BASED ON THE LOAN AGREEMENT, THE INDENTURE, OR THE BONDS AGAINST ANY MEMBER, OFFICER OR EMPLOYEE, PAST, PRESENT OR FUTURE, OF THE ISSUER, OR OF ANY SUCCESSOR BODY THERETO, EITHER DIRECTLY OR THROUGH THE ISSUER, OR ANY SUCH SUCCESSOR BODY, OR THE CITY, UNDER ANY CONSTITUTIONAL PROVISION, STATUTE OR RULE OF LAW OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE. NEITHER THE STATE OF TEXAS, THE CITY, NOR ANY POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE OF TEXAS SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON, OR PURCHASE PRICE OF THE BONDS AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION, OR AGENCY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON, OR PURCHASE PRICE OF, THE BONDS. THIS BOND IS A SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY FROM THE

SOURCES DESCRIBED HEREIN AND THE HOLDER HEREOF SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT FROM MONEYS DERIVED BY TAXATION OR ANY REVENUES OF THE ISSUER EXCEPT THE FUNDS PLEDGED TO THE PAYMENT HEREOF. THE ISSUER HAS NO TAXING AUTHORITY.

PROCEEDS FROM THE SALE OF THE BONDS WILL BE LOANED to Alamo National Building Development, LP (the "***Borrower***") under the terms of a Loan Agreement, dated as of November 1, 2013 (the "***Loan Agreement***"), between the Issuer and the Borrower, and will be used by the Borrower to provide funds to refund certain outstanding obligations of the Issuer the proceeds of which were loaned by the Issuer to the Borrower to finance a portion of the costs to acquire a leasehold interest in, and to renovate and redevelop, a bank building and related parking facilities (located in the City's downtown area) into a new hotel which includes approximately 367 guest rooms and related hotel amenities and parking facilities and improvements along the City's Riverwalk (the "***Project***"). The Loan Agreement requires the Borrower to repay such loan by making payments ("***Loan Payments***") sufficient to pay the principal of, and premium, if any, and interest on, the Bonds when due.

THE BONDS ARE ALL ISSUED UNDER AND SECURED BY and entitled to the benefits of an Indenture of Trust, dated as of November 1, 2013 (the "***Indenture***"), between the Issuer and the Trustee; all receipts of the Trustee credited under the provisions of the Indenture against the Loan Payments; certain moneys drawn by the Trustee under a Credit Facility (as defined in the Indenture), if any, in favor of the Trustee, issued at the request and for the account of the Borrower; and from any other moneys held by the Trustee under the Indenture for such purpose (all of the foregoing, the "***Revenues***"), and there shall be no other recourse against the Issuer or any property now or hereafter owned by it.

REFERENCE IS HEREBY MADE TO THE INDENTURE and all indentures supplemental thereto for a description of the rights thereunder of the registered Bondholders of the Bonds, of the nature and extent of the security, of the rights, duties and immunities of the Trustee and of the rights and obligations of the Issuer thereunder, to all of the provisions of which Indenture and of the Loan Agreement the Holder of this Bond, by acceptance hereof, assents and agrees.

ALL TERMS NOT HEREIN DEFINED shall have the meanings ascribed to them in the Indenture.

THE BONDS ARE ISSUABLE AS FULLY REGISTERED BONDS without coupons in the following Authorized Denominations: (i) during any Index Rate Period, \$250,000 or any integral multiple of \$5,000 in excess thereof; (ii) during any Variable Rate Period and Short-Term Interest Period, \$100,000 or any integral multiple of \$5,000 in excess thereof; and (iii) while the Bonds bear interest at a Fixed Rate and during any Long-Term Interest Period, \$5,000 or any integral multiple thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, Bonds may be exchanged at the Corporate Trust Office of the Trustee, initially located in Dallas, Texas, a like aggregate principal amount of Bonds of other Authorized Denominations.

THIS BOND IS TRANSFERABLE BY THE BONDHOLDER HEREOF, in person, or by its attorney duly authorized in writing, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds, in an Authorized Denomination or Denominations, for the same aggregate principal amount, will be issued to the transferee in exchange therefor. The Issuer and the Trustee may treat the Bondholder hereof as the absolute Bondholder hereof for all purposes, and the Issuer and the Trustee shall not be affected by any notice to the contrary. This Bond may be exchanged at the Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of another Authorized

Denominations. The Trustee shall require the Bondholder requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The costs of printing Bonds and any services rendered or expenses incurred by the Issuer or the Trustee in connection with such exchange shall be paid by the Borrower.

INTEREST ON THE BONDS

THE TERM OF THE BONDS WILL BE DIVIDED into consecutive Interest Rate Modes, as provided in the Indenture, during each of which the Bonds shall bear interest at an Index Rate, a Variable Rate, a Short-Term Rate, a Long-Term Rate, or a Fixed Rate. The first Interest Rate Mode for the Bonds shall be an Index Rate Period and the Bonds shall initially bear interest at the LIBOR Index Rate. The interest rate determination method for the Bonds may be subsequently changed from time to time by the Borrower, without the consent of the Holders of the Bonds, as provided in the Indenture, particularly Section 2.02(g) and Section 2.03 thereof. The Trustee shall give notice to Holders of the Bonds, as provided in the Indenture, prior to any change in the interest rate determination method.

INTEREST ON THE BONDS with respect to the immediately preceding Interest Payment Period (defined hereafter) will be paid on each Interest Payment Date provided that if any Interest Payment Date is not a Business Day, such interest shall be mailed or wired as provided above on the next succeeding Business Day with the same effect as if made on the day such payment was due. Interest shall be calculated on the basis of (a) with respect to Variable Rate Bonds and Short-Term Rate Bonds, a 365- or 366-day year, as applicable, for the number of days actually elapsed, (b) with respect to LIBOR Index Rate Bonds, a 360-day year for the actual days elapsed (calculated by multiplying the Principal Amount by the interest rate, dividing that sum by 360, and multiplying that amount by the actual days elapsed), (c) with respect to SIFMA Index Rate Bonds, a 365-day year for the actual days elapsed (calculated by multiplying the Principal Amount by the interest rate, dividing that sum by 365, and multiplying that amount by the actual days elapsed), and (d) with respect to Long-Term Rate Bonds and Fixed Rate Bonds, a 360-day year of twelve 30-day months. Interest on the Bonds shall bear interest from and including the Issuance Date until payment of the principal or redemption price thereof has been made or provided for, whether at maturity, upon redemption or otherwise.

INTEREST PAYMENT DATE MEANS (a) with respect to Index Rate Bonds and Variable Rate Bonds, the first Business Day of each month and any day that is a Conversion Date for such Index Rate Bonds or Variable Rate Bonds; (b) with respect to Short-Term Rate Bonds, the first Business Day after the last day of each Short-Term Rate Period and any day that is a Conversion Date for such Short-Term Rate Bonds; (c) with respect to Long-Term Rate Bonds, each April 1 and October 1 and any day that is a Conversion Date for such Long-Term Rate Bonds; (d) with respect to Fixed Rate Bonds, each April 1 and October 1; (e) the Maturity Date of this Bond if such date is not an Interest Payment Date described above; (f) with respect to a Bank Bond, the dates set forth in the Liquidity Facility or the Liquidity Facility Agreement relating to such Bank Bond; and (g) with respect to each Unremarketed Bond, the date such Bond ceases to be an Unremarketed Bond.

MAXIMUM RATE MEANS the lesser of (i) 25% per annum, or (ii) the maximum interest rate which, at any point in time, if borne by the Bonds of a series through the Maturity Date, would result in a "net effective interest rate" (as defined and calculated in accordance with the provisions of Chapter 1204, Texas Government Code) which does not exceed fifteen percent (15%) per annum.

RECORD DATE MEANS with respect to any Interest Payment Date, (a) with respect to Index Rate Bonds, Variable Rate Bonds, or Short-Term Rate Bonds, means the Business Day immediately preceding

such Interest Payment Date, and (b) with respect to Long-Term Rate Bonds or Fixed Rate Bonds, means the 15th day of the month immediately preceding such Interest Payment Date, whether or not such day is a Business Day.

INDEX RATE PERIOD

DURING EACH INDEX RATE PERIOD, the Bonds shall bear interest at the LIBOR Index Rate, the SIFMA Index Rate, the Default Rate or Taxable Rate, as applicable and as determined in accordance with the provisions of Section 2.02(b) of the Indenture, which procedures are generally described below.

(i) **LIBOR Index Rate**. During each LIBOR Index Rate Period, the Bonds shall, subject to adjustment as described in subparagraph (iii) below, bear interest at the LIBOR Index Rate. The Calculation Agent (initially U.S. Bank National Association) shall determine the LIBOR Index Rate on each Computation Date during the LIBOR Index Rate Period [i.e., the second New York Banking Day preceding each LIBOR Index Reset Date (defined as the first calendar day of each month)], and such rate shall become effective on the LIBOR Index Reset Date next succeeding the Computation Date and interest at such rate shall accrue each day during such LIBOR Index Rate Period, commencing on and including the first day of such period to but excluding the last day of such period. The LIBOR Index Rate shall be rounded upward to the third decimal place. If the LIBOR Index Rate is not determined by the Calculation Agent on the Computation Date, the rate of interest born on such Index Rate Bonds shall be the rate in effect for the immediately preceding Interest Payment Period until the Calculation Agent next determines the LIBOR Index Rate as required under the Indenture.

(ii) **SIFMA Index Rate**. During each SIFMA Index Rate Period, the Bonds shall, subject to adjustment as described in subparagraph (iii) below, bear interest at the SIFMA Index Rate. The Calculation Agent shall determine the SIFMA Index Rate on each Computation Date during the SIFMA Index Rate Period (i.e., Wednesday of each week, or if any Wednesday is not a Business Day, the next succeeding Business Day), and such rate shall become effective on the SIFMA Rate Reset Date (i.e., Thursday of each week) next succeeding such Computation Date and interest at such rate shall accrue each day during such SIFMA Index Rate Period, commencing on and including the first day of such period to but excluding the last day of such period. The SIFMA Index Rate shall be rounded upward to the second decimal place. If the SIFMA Index Rate is not determined by the Calculation Agent on the Computation Date, the rate of interest born on such Index Rate Bonds shall be the rate in effect for the immediately preceding Interest Payment Period until the Calculation Agent next determines the SIFMA Index Rate as required under the Indenture.

(iii) **Adjustments to Index Rates**.

(A) **Taxable Rate**. From and after any Taxable Date, the interest rate on Bonds in an Index Rate Period shall be established at a rate at all times equal to the Taxable Rate (i.e., an interest rate per annum equal to the product of the Index Rate then in effect multiplied by 1.54).

(B) **Default Rate**. Upon the occurrence and continuation of an Event of Default under the Indenture, from and after the effective date of such Event of Default, the interest rate for Bonds in an Index Rate Period and Unremarketed Bonds shall be established at a rate equal to the greater of (A) the Default Rate [as defined in the Indenture, which generally is equal to the sum of the Base Rate (i.e., generally described in the Indenture as the greater of

the "Prime Rate" plus 1% per annum, or the "Federal Funds Rate" plus 2% per annum) in effect on such day plus five percent (5.00%) per annum], and (B) the interest rate that otherwise would be applicable to the Bonds of a series but for the provisions of this paragraph, payable on demand to the Bank, but in no event shall such interest rate exceed the Maximum Rate. Interest shall accrue and be paid on both defaulted interest and defaulted principal.

(C) Excess Interest. If during an Index Rate Period (or at any time the Bonds constitute Unremarketed Bonds) the rate of interest on the Bonds exceeds the Maximum Rate for the Bonds, then (1) the Bonds shall bear interest at the Maximum Rate and (2) interest on the Bonds calculated at the rate equal to the difference between (a) the rate of interest for the Bonds as calculated pursuant to the Indenture and (b) the Maximum Rate (the "Excess Interest") shall be deferred until such date as the rate of interest borne by the Bonds as calculated pursuant to Section 2.02(b) of the Indenture (and described above) is below the Maximum Rate, at which time Excess Interest shall be payable with respect to the Bonds. Payments of deferred Excess Interest shall no longer be due and payable upon the earlier to occur of the date on which the Bonds are tendered for purchase in accordance with Section 3.10 of the Indenture (and described below) hereof and are so paid or the Bonds are paid in full.

U.S. Bank National Association has been appointed as the initial Calculation Agent. The Calculation Agent may be removed or replaced in accordance with the provisions of the Indenture. Determination of the Index Rate on the Bonds by the Calculation Agent shall be conclusive and binding upon the Holders of the Bonds, the Issuer, the Borrower, and the Trustee.

VARIABLE RATE PERIOD

DURING EACH VARIABLE RATE PERIOD, the Bonds shall bear interest at the Daily Rate or the Weekly Rate as applicable and as determined in accordance with the provisions of Section 2.02(c) and (d), respectively, of the Indenture, which procedures are generally described below.

(i) Daily Rate. Whenever the Bonds are to bear interest accruing at a Daily Rate, Daily Interest Periods shall commence on each Business Day and shall extend to, but not include, the next succeeding Business Day. The interest rate for each Daily Interest Period shall be effective from and including the commencement date thereof and shall remain in effect to, but not including, the next succeeding Business Day. Each Daily Rate shall be determined by the Remarketing Agent by 10:00 a.m., New York City time, on the commencement date of the Daily Interest Period to which it relates. The Trustee shall inform the Holders of each Daily Rate determined by the Remarketing Agent upon request.

(ii) Weekly Rate. Whenever the Bonds are to bear interest accruing at a Weekly Rate, Weekly Interest Periods shall commence on Wednesday of each week and end on Tuesday of the following week; provided, however, that (A) in the case of a conversion to a Weekly Rate from another Interest Rate Mode, the initial Weekly Interest Period for such Bonds shall commence on the Weekly Rate Conversion Date and end on the next succeeding Tuesday and (B) in the case of a conversion from a Weekly Rate to a Daily Rate, Short-Term Rate, or Long-Term Rate, the last Weekly Interest Period prior to conversion shall end on the last day immediately preceding the applicable Conversion Date. The interest rate for each Weekly Interest Period shall be effective from and including the commencement date of such Weekly Interest Period and shall remain in effect

through and including the last day thereof. Each Weekly Rate shall be determined by the Remarketing Agent by 10:00 a.m., New York City time, on the commencement date of the Weekly Interest Period to which it relates. The Trustee shall inform the Holders of each Weekly Rate determined by the Remarketing Agent upon request.

The Remarketing Agent may be removed or replaced in accordance with the provisions of the Indenture. The determination of the Daily Rate and the Weekly Rate on the Bonds by the Remarketing Agent shall be conclusive and binding upon the Holders of the Bonds, the Borrower, the Trustee, each Liquidity Facility Provider and each Credit Facility Provider.

SHORT-TERM RATE PERIOD

DURING EACH SHORT-TERM RATE PERIOD, the Bonds shall bear interest at the Short Term Rate as determined in accordance with the provisions of Section 2.02(e) of the Indenture, which procedures are generally described below.

Whenever the Bonds are to bear interest accruing at a Short-Term Rate, each Short-Term Interest Period shall be determined by the Remarketing Agent by 4:00 p.m. New York City time on the Business Day immediately preceding that Short-Term Interest Period to which it relates; provided that each Short-Term Rate Period (A) shall be from 1 to 364 days in length but, if a Liquidity Facility is in effect, shall not exceed the number of days of interest coverage provided by such Liquidity Facility minus five days, shall not extend beyond the date that is five days before the Stated Expiration Date of such Liquidity Facility and shall not exceed the number of days remaining prior to the Conversion Date if the Remarketing Agent has given or received notice of any conversion to a different Interest Payment Period, and (B) shall commence on a Business Day (except in the case of a conversion to a Short-Term Rate Period, the initial Short-Term Rate shall commence on the Conversion Date), and (C) shall end on a day preceding a Business Day or the day preceding the maturity date for such Bonds. The Remarketing Agent may, in the reasonable exercise of its judgment, determine one or more Short-Term Interest Periods that result in a Short-Term Rate or Short-Term Rates on Bonds that are higher than would be borne by such Bonds with a shorter Short-Term Interest Period in order to increase the likelihood of achieving the lowest net interest cost during the term of such Bonds by assuring the effectiveness of such Short-Term Rate for a longer Short-Term Interest Period. The determination of each Short-Term Interest Period by the Remarketing Agent shall be based upon the relative market yields of the Bonds of such series and other securities that bear interest at a variable rate or at fixed rates that, in the reasonable exercise of the judgment of the Remarketing Agent are otherwise comparable to such Bonds, or any fact or circumstance relating to such Bonds or affecting the market for such Bonds or affecting such other comparable securities in a manner that, in the reasonable exercise of the judgment of the Remarketing Agent, will affect the market for such Bonds. The Remarketing Agent, in its discretion, may consider such information and resources as it deems appropriate in making the determinations described in this paragraph, including consultations with the Borrower, but the Remarketing Agent's determination of the Short-Term Interest Periods will be based solely upon the reasonable exercise of such Remarketing Agent's judgment.

The interest rate for each Short-Term Interest Period shall be effective from and including the commencement date of that interest period and shall remain in effect through and including the last day thereof.

Short-Term Rate Bonds may bear interest for different Short-Term Interest Periods and at different Short-Term Rates; provided that all Short-Term Rate Bonds with the same Short-Term Interest Period shall bear interest accruing at the same Short-Term Rate.

The Trustee shall inform the Holders of each Short-Term Rate determined by the Remarketing Agent upon request.

The Remarketing Agent may be removed or replaced in accordance with the provisions of the Indenture. The determination of the Short-Term Rate on the Bonds by the Remarketing Agent shall be conclusive and binding upon the Holders of the Bonds, the Borrower, the Trustee, each Liquidity Facility Provider and each Credit Facility Provider.

LONG-TERM RATE PERIOD

DURING EACH LONG-TERM RATE PERIOD, the Bonds shall bear interest at the Long Term Rate as determined in accordance with the provisions of Section 2.02(f) of the Indenture, which procedures are generally described below.

Whenever the Bonds are to bear interest accruing at a Long-Term Rate, Long-Term Interest Periods shall commence on a Long-Term Rate Conversion Date or, thereafter, the effective date of a subsequent Long-Term Interest Period, and end on a day which is at least 12 months after such Long-Term Rate Conversion Date which is the day preceding (A) the effective date of a subsequent Long-Term Interest Period, (B) the Conversion Date on which a different Interest Payment Period shall become effective or (C) the maturity date for such Bonds; provided that if a Liquidity Facility or Credit Facility is in effect, each Long-Term Interest Period shall not extend to a date beyond the fifth day next preceding the Stated Expiration Date of such Liquidity Facility or Credit Facility.

The interest rate for each Long-Term Interest Period shall be effective from and including the commencement date of that Long-Term Interest Period and shall remain in effect through and including the last day thereof.

Each Long-Term Rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Long-Term Interest Period to which it relates. The Trustee shall inform the Holders of each Long-Term Rate determined by the Remarketing Agent upon request.

The Long-Term Rate for each Long-Term Interest Period for the Bonds shall be the rate of interest per annum borne by the Bonds which shall be the lowest rate of interest that, in the judgment of the Remarketing Agent, would cause the Bonds to have a price equal to the principal amount thereof plus accrued interest, if any, under prevailing market conditions as of the date of determination. The Long-Term Rate for a Long-Term Interest Period for the Bonds may be the rate of interest per annum determined by the Remarketing Agent to be the interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on the date and at the time of such determination at a price which will result in the lowest net interest cost for the Bonds, after taking into account any premium or discount at which the Bonds are sold by the Remarketing Agent, provided that in connection with selling the Bonds at a premium or discount certain conditions set forth in Section 2.02(f)(4) of the Indenture are satisfied.

The Remarketing Agent may be removed or replaced in accordance with the provisions of the Indenture. The determination of the Long-Term Rate on the Bonds by the Remarketing Agent shall be conclusive and binding upon the Holders of the Bonds, the Borrower, the Trustee, each Liquidity Facility Provider and each Credit Facility Provider.

FIXED RATE PERIOD

At the option of the Borrower, all the Bonds with interest payable at an Index Rate, Variable Rate, Short-Term Rate, or Long-Term Rate may be converted to bear interest accruing at a Fixed Rate to their maturity. Any such conversion shall be made in accordance with the procedures set forth in the Indenture, particularly Section 2.03 thereof. The Fixed Rate Conversion Date shall be the first day following an Interest Payment Period for the Bonds in the then-current Interest Rate Mode; provided, however, that for Long-Term Rate Bonds, such conversion shall only occur on a date that such Long-Term Rate Bonds are subject to purchase pursuant to the Indenture (and a generally described below). The Fixed Rate shall be the rate of interest per annum borne by the Bonds on and after such Fixed Rate Conversion Date and shall be the lowest rate of interest that, in the judgment of the Remarketing Agent, would cause the Bonds to have a price equal to the principal amount thereof plus accrued interest, if any, under prevailing market conditions as of the date of determination, except as otherwise provided in herein in Section 2.03(g)(G) of the Indenture. Not later than 12:00 noon, New York City time, on the Business Day prior to the Conversion Date, the Remarketing Agent shall determine the Fixed Interest Rate for the Bonds to be converted. Such determination shall be conclusive and binding upon the Issuer, the Borrower, the Trustee, the Remarketing Agent and the Holders, in all instances, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, (in the case of conversion of Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds).

THE FOREGOING PROVISIONS NOTWITHSTANDING, IN NO EVENT SHALL THE INTEREST RATE BORNE BY THE BONDS AT ANY TIME EXCEED THE MAXIMUM RATE.

OPTIONAL TENDER OF BONDS FOR PURCHASE

DURING ANY VARIABLE RATE PERIOD, holders of Eligible Bonds of the Bonds may elect to have their Bonds, or portions thereof in amounts equal to Authorized Denominations, purchased at the Purchase Price (i.e., par plus unpaid accrued interest) on the following Purchase Dates and upon the giving of the following Electronic Notice or written notice meeting the further requirements set forth below:

(i) Eligible Bonds of the Bonds with interest payable at a Daily Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Notice or written notice of tender to the Tender Agent and the Remarketing Agent not later than 11:00 a.m., New York City time, on the designated Purchase Date.

(ii) Eligible Bonds of the Bonds with interest payable at a Weekly Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon delivery of a written notice of tender to the Tender Agent and the Remarketing Agent not later than 5:00 p.m., New York City time, on a Business Day not fewer than seven days prior to the designated Purchase Date.

Each notice of tender (1) shall, in case of a written notice, be delivered to the Tender Agent and the Remarketing Agent at their respective principal corporate offices and be in form satisfactory to the Tender Agent and the Remarketing Agent; (2) shall state, whether delivered in writing or by Electronic Notice, (A)

the principal amount of the Variable Rate Bond to which the notice relates and the series and CUSIP number of such Variable Rate Bond, (B) that the Holder irrevocably demands purchase of such Variable Rate Bond or a specified portion thereof in an Authorized Denomination, (C) for Variable Rate Bonds, the Purchase Date on which such Variable Rate Bond or portion thereof is to be purchased and (D) payment instructions with respect to the Purchase Price; and (3) shall automatically constitute, whether delivered in writing or by Electronic Notice, (A) an irrevocable offer to sell the Variable Rate Bond (or portion thereof) to which such notice relates on the Purchase Date, to any purchaser selected by the Remarketing Agent, at a price equal to the Purchase Price, (B) an irrevocable authorization and instruction to the Tender Agent to effect transfer of such Variable Rate Bond (or portion thereof) upon receipt by the Tender Agent of funds sufficient to pay the Purchase Price on the Purchase Date, (C) an irrevocable authorization and instruction to the Tender Agent to effect the exchange of the Variable Rate Bond be purchased in whole or in part for other Variable Rate Bonds in an equal aggregate principal amount so as to facilitate the sale of such Variable Rate Bonds (or portion thereof to be purchased), and (D) an acknowledgment that such Holder will have no further rights with respect to such Variable Rate Bond (or portion thereof) upon deposit of an amount equal to the Purchase Price thereof with the Tender Agent on the Purchase Date, except for the right of such Holder to receive such Purchase Price upon surrender of such Variable Rate Bond to the Tender Agent.

The determination of the Tender Agent and the Remarketing Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Holder. The Tender Agent or the Remarketing Agent may waive any irregularity or nonconformity in any notice of tender.

The right of Holders to tender Variable Rate Bonds for purchase shall terminate upon a Conversion Date with respect to such Variable Rate Bonds to an Interest Rate Mode that is not a Variable Rate Period.

All Variable Rate Bonds as to which Electronic Notice or written notice specifying the Purchase Date has been delivered as described above (and which have not been tendered to the Tender Agent) shall be deemed tendered on the Purchase Date specified. From and after the specified Purchase Date of a Bond or Bonds tendered to the Tender Agent or deemed tendered pursuant to Section 3.08 of the Indenture, the former Holder of such Bond or Bonds shall be entitled solely to the payment of the Purchase Price of such Bond or Bonds tendered or deemed tendered which Purchase Price shall be payable only as set forth in Section 3.09(d) of the Indenture.

MANDATORY TENDER OF BONDS FOR PURCHASE

THE BONDS SHALL BE SUBJECT TO MANDATORY TENDER FOR PURCHASE by the Tender Agent at the Purchase Price on the following Purchase Dates:

- (1) Each Bank Purchase Date;
- (2) Each Conversion Date for the Bonds (unless such Conversion Date is already a Purchase Date, in which case no separate mandatory tender shall occur);
- (3) Each Short-Term Rate Mandatory Purchase Date for the Bonds;
- (4) Each Long-Term Rate Mandatory Purchase Date for the Bonds;
- (5) The fifth day next preceding the Expiration Date of the Liquidity Facility or Credit Facility in effect with respect to the Bonds (unless, on or prior to the fifth day next preceding such Expiration Date, such Expiration Date is extended);

- (6) Each Liquidity Facility Date or Credit Facility Date;
- (7) The Termination Date of the Liquidity Facility, if any, in effect with respect to such Bonds;
- (8) The date the Borrower elects to terminate the Liquidity Facility prior to its expiration;
- (9) The Nonreinstatement Date of the Liquidity Facility, if any, in effect with respect to such Bonds; and
- (10) Each Borrower Elective Purchase Date for the Bonds (as described below).

Bonds to be purchased pursuant to mandatory tender shall be delivered by the Holders thereof to the Tender Agent (together with necessary assignments and endorsements) at or prior to 1:00 p.m. New York City time on the applicable Purchase Date. Any Bonds to be purchased by the Tender Agent pursuant to mandatory tender that are not delivered for purchase on or prior to the Purchase Date, for which there has been irrevocably deposited in trust with the Trustee or the Tender Agent an amount sufficient to pay the Purchase Price of such Bonds, shall be deemed to have been tendered to the Tender Agent for purchase, and the Holders of such Bonds shall not be entitled to any payment (including any interest to accrue on or after the Purchase Date) other than the respective Purchase Prices of such Bonds, and such Bonds shall not be entitled to any benefits of the Indenture, except for payment of such Purchase Price out of the moneys deposited for such payment as aforesaid, subject, however, to the defeasance provisions under the Indenture.

If, following the giving of notice of mandatory tender of Bonds, an event occurs which, in accordance with the terms of the Indenture causes such mandatory tender not to occur, then (i) the Trustee shall so notify the Holders of the Bonds (at their addresses as they appear on the registration books of the Trustee on the date of such notice), by Electronic Notice, confirmed by first class mail, as soon as may be practicable after the applicable Purchase Date, and (ii) the Tender Agent shall return to their Holders any such Bonds tendered to the Tender Agent in connection with such mandatory tender of such Bonds.

During any Variable Rate Period, the Bonds are subject to mandatory tender for purchase on any Business Day (a "***Borrower Elective Purchase Date***") designated by the Borrower, with the consent of the Liquidity Facility Provider, if any, at the Purchase Price, payable in immediately available funds. Such Borrower Elective Purchase Date shall be a Business Day not earlier than the 10th day following the second Business Day after receipt by the Tender Agent of such designation. If on a Borrower Elective Purchase Date sufficient remarketing proceeds are not available for the purchase of all Bonds, then the Borrower's designation of such Borrower Elective Purchase Date for such Bonds shall be deemed rescinded, the Borrower shall have no obligation to purchase the Bonds tendered or deemed tendered on the Borrower Elective Purchase Date, and the failed remarketing shall not constitute an Event of Default under the Indenture.

OPTIONAL REDEMPTION OF BONDS

(a) During an Index Rate Period: Subject to any limitations set forth in the Agreement, during any Index Rate Period, the Bonds are subject to redemption on any Interest Payment Date upon request of the Borrower and at the direction of the Issuer, in whole or in part in such amounts as are requested by the Borrower and designated by the Issuer at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(b) During a Variable Rate Period: The Variable Rate Bonds are subject to redemption prior to their respective stated maturities by the Issuer, upon request of the Borrower, from any funds deposited for such purpose in the Bond Fund, on any Business Day, in whole or in part in such amounts as are requested by the Borrower and designated by the Issuer at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(c) During a Short-Term Rate Period: The Short-Term Rate Bonds are subject to redemption prior to their respective stated maturities, by the Issuer, upon request of the Borrower, from any funds deposited for such purpose in the Bond Fund, on any Interest Payment Date for such Short-Term Rate Bonds, in whole or in part in such amounts as requested by the Borrower and designated by the Issuer at a Redemption Price equal to the principal amount of Bonds called for redemption, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(d) During a Long-Term Rate Period: Long-Term Rate Bonds are subject to redemption by the Issuer, upon request of the Borrower, on any Purchase Date therefor, and Long-Term Rate Bonds and Fixed Rate Bonds are subject to redemption by the Issuer, upon request of the Borrower, on any date after expiration of the applicable call protection period described below, as a whole or in part in such amounts and in such maturities as are requested by the Borrower and designated by the Issuer (or if the Issuer fails to designate such maturities, in inverse order of maturity) and in any manner which the Trustee shall deem appropriate and fair within a maturity, at a Redemption Price equal to the principal amount of Bonds called for redemption, plus accrued interest, if any, to the date fixed for redemption, without premium.

Length of Long-Term Rate Period or Years Remaining to Maturity as of Fixed Rate Conversion Date	Initial Redemption Dates (Anniversary of Fixed Rate Conversion Date or Long-Term Conversion Date)
Equal to or less than 10 years	Not subject to optional redemption
Greater than 10 years	10th anniversary

The foregoing notwithstanding, if the Borrower delivers to the Trustee and the Remarketing Agent prior to any Conversion Date or Purchase Date (for Bonds remaining Long-Term Rate Bonds for an additional Long-Term Interest Rate Period) (1) a notice containing alternative call protection periods and/or Redemption Prices for Long-Term Rate Bonds or Fixed Rate Bonds and (2) an Opinion of Bond Counsel addressed to the Trustee and the Remarketing Agent to the effect that the modifications to the call protection periods and/or Redemption Prices will not, in and of themselves, cause the interest on such Bonds to be includable in the gross income of Holders for purposes of federal income taxation, then the Bonds shall be subject to redemption by the Issuer, at the request of the Borrower, pursuant to the call protection periods and at the Redemption Prices, if any, set forth in that notice, and this subparagraph (d) shall be deemed to be modified as set forth in such notice.

(e) Bank Bonds. Bonds which are Bank Bonds are subject to optional redemption under and in accordance with subparagraphs (b), (c), and (d) above; and in such connection, and notwithstanding anything to the contrary set forth herein or in the Indenture, Bank Bonds shall be selected for redemption pursuant to such subparagraphs prior to the selection of other Bonds for redemption pursuant to such subparagraphs.

SPECIAL MANDATORY REDEMPTION OF BONDS

(a) Bank Bonds: Bonds which are Bank Bonds are subject to special mandatory redemption by the Issuer, at the request of the Borrower, in whole or in part, on any date, at a Redemption Price equal to the principal amount of the Bank Bonds to be redeemed, plus accrued and unpaid interest thereon (at the Bank Rate with respect to the Bank Bonds being redeemed) to the date of redemption on the dates, in the amounts and in the manner set forth in the Liquidity Facility or the related Liquidity Facility Agreement.

(b) Unremarketed Bonds: Bonds which are Unremarketed Bonds are subject to special mandatory redemption by the Issuer upon the occurrence of an "Event of Default" under the Agreement, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon (at the rate determined in accordance with Section 2.02(a)(7) of the Indenture) to but not including the date of such redemption, on the dates and in the manner set forth in the Agreement.

NOTICE OF REDEMPTION

At least 30 but not more than 60 days prior to the redemption date, such notice shall be given to the respective Holders of Bonds designated for redemption by Electronic Notice, confirmed by first class mail, postage prepaid, at their addresses appearing on the registration books maintained by the Trustee as of the close of business on the day before such notice is given; provided that failure of the Trustee to give such notice to any Holder of Bonds or any defect in such notice shall not affect the validity of the redemption of any other Bonds; and provided further, however, that if the Index Rate Bonds, Variable Rate Bonds, Short-Term Rate Bonds, or Long-Term Rate Bonds are Bank Bonds, notice of redemption of such Bank Bonds shall be given not less than one (1) Business Day prior to the redemption date therefor, and such notice may be given telephonically or by Electronic Notice. Notwithstanding anything to the contrary contained herein, in the event all of the Bonds to be redeemed are held in book-entry form by the Nominee, the notice shall be made by Electronic Notice and the notice period required pursuant to this paragraph may be less than 30 days prior to the redemption date, as applicable, provided such notice period complies with the operational guidelines of the then current Securities Depository in effect 60 days prior to the date of the scheduled redemption.

A second notice of redemption shall be delivered no more than 60 days after the redemption date, by the same means as the first notice, to any Holder of Bonds who has not turned Bonds in for redemption within 20 days after the redemption date, provided that failure of the Trustee to give such notice to a Holder of Bonds or any defect in such notice shall not affect the validity of the redemption of such Bonds.

MISCELLANEOUS

The Holder of this Bond shall have no right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Indenture or to enforce a drawing on the Letter of Credit, except as provided in the Indenture.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained, against any past, present or future member, director, officer, employee or agent of the Issuer, or through the Issuer, or any successor to the Issuer, or the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, director, officer, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds.

The Indenture contains provisions permitting the Issuer and the Holders of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of Bonds then Outstanding, with the consent of the Credit Facility Provider, to execute Supplemental Indentures to add any provisions to, or change in any manner, or eliminate any of the provisions of, the Indenture; provided, however, that no such Supplemental Indenture, shall (1) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, or (2) affect the rights and obligations of the Holders to tender Bonds for purchase or the payment provisions with respect thereto, or (3) reduce the aforesaid percentage of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or (4) permit the creation of any lien on the Revenues and other assets pledged under the Indenture prior to or on a parity with the lien created by the Indenture, or (5) deprive the Holders of the Bonds of the lien created by the Indenture on such Revenues and other assets (except as expressly provided in the Indenture), without in each case the consent of the Holders of all of the Bonds then Outstanding.

The Indenture prescribes the manner in which it may be discharged and after which the Bonds shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of transfer and exchange of Bonds and of payment of the principal of and premium, if any, and interest on the Bonds as the same become due and payable, including a provision that under certain circumstances the Bonds or any of them shall be deemed to be paid if certain securities, as defined in the Indenture, maturing as to principal and interest in such amounts and at such times as to insure the availability of sufficient moneys to pay the principal of, premium, if any, and interest on such Bonds and all necessary and proper fees, compensation and expenses of the Trustee shall have been deposited with the Trustee.

No member or officer of the Issuer, nor any person executing this Bond, shall in any event be subject to any personal liability or accountability by reason of the issuance of the Bonds.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Texas.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until either (i) the certificate of authentication hereon endorsed shall have been manually signed by the Trustee or (ii) an originally executed Comptroller's Registration Certificate has been attached hereto.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of its President and attested by the manual or facsimile signature of the Secretary, all as of the date first above written.

**CITY OF SAN ANTONIO, TEXAS EMPOWERMENT
ZONE DEVELOPMENT CORPORATION**

By _____
President

ATTEST:

By _____
Secretary

[SEAL]

[FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE]*

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts
of the State of Texas

* Initial Bond only

[FORM OF CERTIFICATE OF AUTHENTICATION]*
CERTIFICATE OF AUTHENTICATION

Dated:

This is one of the Bonds described in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ [name, address and tax i.d. number of transferee] the within-mentioned Registered Bond and do(es) hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the Registrar with full power of substitution in the premises.

Dated: _____, _____

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Registered Bond in every particular, without alteration or enlargement or any change whatsoever.

*To be on definitive bond only.

EXHIBIT B

FORM OF PURCHASER LETTER

_____, 20__

City of San Antonio, Texas Empowerment Zone Development Corporation
c/o City of San Antonio - Department of Economic Development
100 W. Houston Street, 19th Floor
San Antonio, Texas 78205

Re: \$_____ City of San Antonio, Texas Empowerment Zone
Development Corporation Contract Revenue Empowerment Zone Refunding
Bonds (Drury Southwest Hotel Project), Series [2013A] [2013B]

Ladies and Gentlemen:

_____ (the "Purchaser") has agreed to purchase the above referenced debt obligations (the "Bonds") in the amount of \$_____ which were issued in the original aggregate principal amount of [\$21,900,000] [\$18,000,000] by the City of San Antonio, Texas Empowerment Zone Development Corporation (the "Issuer") pursuant to the Indenture of Trust, dated as of November 1, 2013 (the "Indenture"), between the Issuer and U.S. Bank National Association, as trustee (the "Trustee"). All capitalized terms used herein, but not defined herein, shall have the respective meanings set forth in the Indenture. The undersigned, an authorized representative of the Purchaser, hereby represents to you that:

1. The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax exempt obligations, to be able to evaluate the risks and merits represented by the purchase of the Bonds.
2. The Purchaser has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds.
3. The Purchaser is a national bank organized under the laws of the United States of America and is able to bear the economic risks of purchasing the Bonds.
4. The Purchaser understands that an official statement, prospectus, offering circular, or other comprehensive offering statement has not been provided with respect to the Bonds. The Purchaser has made its own inquiry and analysis with respect to the the Borrower, the Bonds and the security therefor, and other material factors affecting the security for and payment of the Bonds.
5. The Purchaser acknowledges that it has reviewed information, including financial statements and other financial information, regarding the Borrower, and has had the opportunity to

ask questions and receive answers from knowledgeable individuals concerning the Borrower, the Bonds and the security therefor, so that it has been able to make an informed decision to purchase the Bonds; provided, however, that this letter shall not constitute a waiver of any rights or remedies the Purchaser may have with respect to any untrue information it may have received or any material information which was withheld from or omitted from information provided for its review.

6. The Purchaser understands that the Bonds: (i) are not registered under the 1933 Act and are not registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (ii) are not listed on any stock or other securities exchange, and (iii) have not been rated by any credit rating agency.

7. The Bonds are being acquired by the Purchaser for its own account and not with a present view toward resale or distribution; provided, however, that the Purchaser reserves the right to sell, transfer or redistribute the Bonds, but agrees that any such sale, transfer or distribution by the Purchaser shall satisfy the transfer requirements of Section 2.4 of the Indenture and be to a Person:

- (a) that is an affiliate of the Purchaser;
- (b) that is a trust or other custodial arrangement established by the Purchaser or one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers or accredited investors;
- (c) that the Purchaser reasonably believes is qualified to purchase the Bonds; or
- (d) that executes a letter substantially in the form of this letter.

By _____
Name: _____
Title: _____

EXHIBIT C
REQUISITION FROM THE COSTS OF ISSUANCE FUND

To: U.S. Bank National Association
EX-TX-DCRE
14241 Dallas Parkway, Suite 490
Dallas, Texas 75254
Attn: Israel Lugo, Corporate Trust Services

Re: City of San Antonio, Texas Empowerment Zone Development Corporation Contract Revenue Empowerment Zone Refunding Bonds (Drury Southwest Hotel Project), [Series 2013A] [Series 2013B]

Requisition No. __

The undersigned, on behalf of Alamo National Building Development, LP (the "**Borrower**"), hereby requests payment, from the Costs of Issuance Fund established under the Indenture (the "**Indenture**") pursuant to which the Bonds identified above are issued and outstanding, the total amount shown below to the order of the payee or payees named below, against written invoices from such payees, as payment or reimbursement for costs incurred or expenditures made in connection with the issuance of the Bonds. The payee(s), the purpose and the amount of the disbursement requested are as follows:

The undersigned hereby certifies as follows:

Each obligation mentioned herein has been properly incurred and is a proper charge against the Cost of Issuance Fund. None of the items for which payment is requested has been reimbursed previously from the Cost of Issuance Fund, and none of the payments herein requested will result in a breach of the representations and agreements contained in Section 2.2 of the Loan Agreement or in the Tax Letter of Representation.

Terms which are used herein as defined terms shall have the meanings specified in the Indenture.

Dated: _____, 20__.

ALAMO NATIONAL BUILDING DEVELOPMENT, LP

By: **ALAMO NATIONAL BUILDING MANAGEMENT, LP**, its general partner

By: **DSW ALAMO MANAGEMENT, LLC**, its general partner

By: **DRURY SOUTHWEST, INC.**, its manager

By: _____
Name: Dennis J. Vollink
Title: President

+